

Legislature of Ontario Debates

Third Session of the Thirty-First Parliament

October 11-November 16, 1979



No. 80

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, October 11, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

An alphabetical list of members of the Legislature of Ontario, together with lists of members of the executive council and parliamentary assistants, appears as an appendix at the back of this issue.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

THURSDAY, OCTOBER 11, 1979

The House met at 2 p.m.

Prayers.

HANSARD REPORTERS

Mr. Gaunt: Mr. Speaker, I rise on a question of privilege concerning the face-lifting changes which have taken place in the chamber. I won't go so far as to suggest to the House that this place is not properly constituted, but I think members should notice the absence of the Hansard reporters from the floor of the chamber today.

As I understand the situation, shorthand writers have been present since 1943. Although the new electronic system is apparently quite adequate it does not have the charm and good nature of the writers who have been present over the past number of years.

I didn't think the occasion should pass without members noting the change.

BOARD OF INTERNAL ECONOMY

Mr. Speaker: I beg to inform the House that I am tabling a copy of order in council 2493-79 which indicates that the Board of Internal Economy of this House is, effective September 11, 1979, composed of the following members, including Mr. Speaker: the Honourable Thomas Leonard Wells; the Honourable George Raymond McCague; the Honourable Douglas Wiseman; the Honourable Milton Edward Charles Gregory; Mr. Robert Fletcher Nixon and Mr. Elie Walter Martel.

STATEMENT BY THE MINISTRY

GENERAL MOTORS EXPANSION

Hon. Mr. Grossman: Mr. Speaker, I am pleased to report to the Legislature that General Motors of Canada Limited announced this morning its plans to undertake a $2 billion expenditure program during 1979 and the ensuing three years.

A substantial portion of the investment will be allocated to present operations in Windsor, St. Catharines and Oshawa and will permit the company to develop and produce engines and parts for the new, lighter, more energy-efficient automobiles.

General Motors' Windsor plant currently manufactures transmissions for conventional, rear-wheel drive vehicles. The Windsor operation will be modified to produce transmissions for the new front-wheel drive cars and production capacity will be doubled, from 2,000 to 4,000 transmissions per day.

GM's St. Catharines operation currently manufactures engines, axles and a variety of automobile components. One of the plant's V-8 engine lines will be converted to the production of lighter, fuel-efficient V-6 engines.

Both the engine and transmission projects are expected to be onstream for the 1982 model year.

These two projects will result in the creation of approximately 2,600 new jobs in Windsor and 700 new jobs in St. Catharines between now and 1982. They will be stable, secure jobs, reflecting General Motors' determination to respond to the demand for new and modern vehicles. The balance of General Motors' $2 billion investment program will be directed to the upgrading and expansion of operations in other plants, such as a new paint facility in Oshawa.

In addition to the 3,300 new jobs which will be created by this investment, several thousand supplemental jobs will be created in supply and support industries. It is anticipated that there will be an annual favourable impact on Canada's automotive trade balance of approximately $350 million.

Mr. Speaker, General Motors of Canada Limited has had extensive discussions with my ministry concerning their major capital programs in Windsor and St. Catharines. I believe the decision to proceed with these investments in Ontario underlines the confidence of General Motors' management in both the economic environment of this province and the future of the automotive industry in Canada.

[Later (5:47):]

Mr. Cooke: On a point of privilege, Mr. Speaker: this afternoon the Minister of Industry and Tourism made a statement to the House regarding the expansion of General Motors in Ontario. He indicated there would be 2,600 new jobs created in the city of Windsor. I would like to point out to the

House that from reading the statement General Motors made today at a press conference it is clear that what we are talking about is not 2,600 new jobs in Windsor. The 2,600 jobs included jobs made in a statement by GM two years ago.

Mr. J. Reed: Here we go again.

Mr. Cooke: The plant construction for that particular facility is well under way.

Mr. Rotenberg: What's your point of privilege?

Mr. Cooke: We are actually talking about 1,100 new jobs, of which I am very appreciative. Not only are we talking about 1,100 new jobs, we are talking about 1,100 individuals who will also be laid off from December 1980 to March 1981 while the retooling takes place.

Mr. Rotenberg: What's your point of privilege?

Mr. Cooke: The minister's statement was very inaccurate and not the type of statement that should be made in this House.

Interjections.

Hon. Mr. Grossman: Mr. Speaker, may I say that we attempted faithfully to relay the information that was given us by General Motors, and we had worked with General Motors on these projects for some time.

I believe it was made quite clear in General Motors' documents and ours that these did include works under way. The statements both said, I believe, that this will bring—

Mr. Warner: You'll repeat anything they tell you.

Hon. Mr. Grossman: —to something like $2 billion the amounts of investment, including those currently under way. They gave the grand total of jobs that all of the new works included. I believe if you will look at the statements carefully you will find that they are entirely accurate. The emphasis again is on the great job we have done, not only today but in past years, to add employment to the great community of Windsor.

[Reverting (2:08):]

ORAL QUESTIONS

TEACHER-BOARD DISPUTES

Mr. S. Smith: A question of the Premier, Mr. Speaker: Now that the Ministry of Education has apparently completed its internal review of Bill 100, what is the Premier's position and his government's position on the right of teachers to strike and of school boards to lock out? Will the Premier be tabling in the Legislature the government's internal review of Bill 100? What is the government's position? It's not enough to tell us what he thinks of mine. What's his position?

Interjections.

Hon. Mr. Davis: Mr. Speaker, I'm always in a bit of a quandary as to how to answer some of the—

Interjections.

Hon. Mr. Davis: At least unlike your leader, I do acknowledge my limitations.

Mr. Speaker: Order, order.

Hon. Mr. Davis: I'm going to get around to an historic speech from Peterborough by the former Leader of the Opposition.

Mr. Speaker: This has nothing to do with the original question.

Hon. Mr. Davis: Mr. Speaker, as I recall, the former Leader of the Opposition was the first one in this House to suggest that the way to deal with the rather complicated school board-teacher relationship a few years ago—

Interjections.

Hon. Mr. Davis: —was to give teachers the right to strike. It was a very historic speech made by the former Leader of the Opposition, the same way he suggested county school boards, regional government and many other things, as I recall.

Mr. Speaker, I read a press release from the Leader of the Opposition—and I really can't answer the questions without commenting on what he asked me not to comment on, because that would not be realistic —where he has apparently changed his point of view on this very sensitive issue, as so many do. It is his right to do so. I have no quarrel with that at all, except that to see some measure of consistency from across the House on some issue, at least, would be encouraging.

The government made it quite clear, through the Minister of Education (Miss Stephenson), that it was concerned about the application of Bill 100, although if one looks at the statistics, if one recalls the situation prior to the introduction, passage and support of Bill 100 by members opposite, one will recall the number of confrontations that were taking place with no reasonable way as to their solution.

The minister made it quite clear that she wanted an internal assessment, and without the sort of precipitate action that the Leader of the Opposition would suggest; that there be a public opportunity for the school boards of this province, for the teachers of this province, for people who are affected by

this legislation, to review in a public sense what should be done.

Unlike the Leader of the Opposition, I do not have instant solutions to a particular problem. In a matter of this complexity and sensitivity, the position being suggested by the Leader of the Opposition with respect to compulsory arbitration based on final-offer selection, is not a realistic approach, because some of the matters in dispute, such as ratio and job security, could never be resolved in real terms by final-offer selection, as I am sure some of his more enlightened colleagues would understand.

The position of the government, very simply, is that we do intend to have a public discussion with respect to Bill 100.

Mr. S. Smith: By way of supplementary: I assume that when the Premier speaks of consistency he is recalling the comments made in 1973 by his then Minister of Education, the present government House leader, who said:

"I feel that it would be morally wrong to allow our young people to be victimized by school shutdowns, with resultant disruption in the educational process just because a school board and its teachers cannot reach agreement on a contract." That's the kind of consistency, I suppose, the Premier is looking for when, in fact, the then Minister of Education made that statement at the time. I assume he was thinking of that.

Does the Premier intend to introduce amendments to Bill 100 this fall, or is he instead going to try to study this question to death, as every other thorny question is dealt with in Ontario?

Hon. Mr. Davis: This government has studied a number of important and sensitive issues. This government, through that approach, has developed policies that are consistent with the wishes and expectations of the people of this province.

The Leader of the Opposition talks about "every thorny issue." I would only suggest to him that perhaps he should identify some of those thorny issues. He should recognize that the policy of this government in the economic field has led to a lower rate of employment—

Mr. S. Smith: The Premier is right.

Hon. Mr. Davis: —a lower rate of unemployment than has been the case in many years. It has led to an educational system that is superior to most other jurisdictions, to a health system that is one of the best anywhere in North America, and to a quality of life, as the former Leader of the Opposition plays his violin, that really is the envy of many other jurisdictions.

So, yes, we will study difficult issues. We do not pretend to have instant answers, as the Leader of the Opposition has on so many occasions just to change those instant answers to different ones six months later.

Mr. Conway: A supplementary question, Mr. Speaker: I am interested to hear from the Premier or, if he is not able to answer, from the Minister of Education, as to what exactly is the present status of the internal review offered and spoken of by the Minister of Education some 15 months ago with respect to questions that I raised in connection with the Renfrew county school dispute. Can the Premier be specific in directing our attention to where it is that this internal review stands at present, when it will come forward and when it might be tabled, if indeed we can expect it before the millennium?

Hon. Mr. Davis: Mr. Speaker, I expect the honourable member opposite will be around for the millennium, whenever that takes place.

Mr. S. Smith: He will—on the other side of the House.

Hon. Mr. Davis: I would say to the Leader of the Opposition, if he is still looking with covetous eyes across the House, that he should really put on a pair of dark glasses, because that ain't going to happen. If the gentlemen on his left were there, I would not be quite as sure.

I would say to the member for Renfrew North that my recollection is that the minister made some observation in April. I could be wrong on the exact month. I'm not sure about the 18-month period, but I think it was some time in April.

[2:15]

Hon. Miss Stephenson: April of this year.

Hon. Mr. Davis: April 1979. My mathematics indicate to me that is still less than 12 months, which, for the honourable member, is about 50 per cent right.

Laughter.

Hon. Mr. Davis: Listen, as a batting average, that's not bad.

Mr. Conway: What is it? We want to know.

Hon. Mr. Davis: Mr. Speaker, I think the question should properly be directed to the Minister of Education.

Mr. Bolan: Give it to Attila the Hun.

Hon. Mr. Davis: My understanding is the internal review is in fact completed, but I am sure the honourable minister would be—

Mr. Breithaupt: How are things at your riding office?

Hon. Mr. Davis: Is the member interrupting? I'm sure the honourable minister would be delighted to answer the question.

Mr. Conway: I would so redirect, Mr. Speaker.

Mr. Martel: Is that the Premier's tough image coming now?

Hon. Mr. Davis: No.

Hon. Miss Stephenson: Mr. Speaker, the Premier of Ontario is indeed correct. The internal review of Bill 100 has now been completed. Within the next very short period of time, we will announce the structure and the terms of reference of the external review process—

Mr. T. P. Reid: External?

Mr. Breithaupt: Like peeling an onion.

Hon. Miss Stephenson: —which will take into consideration the recommendations of the internal review—

Mr. S. Smith: That's not going to help.

Hon. Miss Stephenson: —and which will hear the presentations of teachers, school trustees, parents, and all of those with a direct interest in the effects of Bill 100 upon the school system and the children of the province of Ontario.

Mr. S. Smith: A final supplementary of the Premier: Since the dispute in Peel could, in fact, result in a lengthy strike that could ultimately end in arbitration, as so many other disputes do end, why will the Premier not introduce legislation very shortly to get teachers back into the schools, which is what they want? They want arbitration.

Why does he not get them back into the schools, give them the arbitration and get the children taken care of again?

Hon. Mr. Davis: I know the Leader of the Opposition is really fully informed as to the outstanding issues in the great region of Peel and, as a result of his depth of knowledge, he will understand it isn't quite as simple as having it go to arbitration. While some of the monetary matters are still being discussed, as I understand it, there are two or three issues that do not normally fall within the purview of arbitration, one being the question of security.

I would think the Leader of the Opposition, if he were to reflect, might understand that rather difficult problem and perhaps he might reconsider his intention, which, as I understand his press release, is to introduce his own bill some time tomorrow.

PROVINCIAL CONTROL OF RESOURCES

Mr. S. Smith: A question of the Premier: Does the Premier agree with the decision of the Prime Minister of Canada to give the coastal provinces control over offshore oil and mineral resources? Is it something he has discussed with the Prime Minister, either before the election of the current Prime Minister or since then? Does he not feel Canadian interests would dictate that Ontario strongly recommend against giving the control of offshore resources to the coastal provinces?

Hon. Mr. Davis: Mr. Speaker, there is a little bit of history to this, as I'm sure the Leader of the Opposition might recall. The question of offshore resources has been a subject of most constitutional conferences over the past three or four years. I think it is fair to state the former Prime Minister of this country gave some indication to those provinces that the government of Canada was not inalterably opposed to offshore resources being given to those provincial jurisdictions.

Mr. S. Smith: What's your position?

Hon. Mr. Davis: Let me finish. I know it's hard for the Leader of the Opposition to tolerate somebody else speaking, but I will try to give him as good an answer as I can.

Mr. S. Smith: I'm so anxious to hear the Premier's views.

Hon. Mr. Davis: I'm sorry. Does he have a supplementary?

Mr. S. Smith: I'd like an answer.

Hon. Mr. Davis: I'm trying to give him one. I'm trying very hard.

Mr. T. P. Reid: Try harder.

Mr. Roy: Are the Argonauts not doing too well?

Hon. Mr. Davis: I always try harder. Never mind the Argonauts, that's a sensitive subject. Don't introduce it; it will provoke me.

As I recall, during the meetings that led up to the last first ministers' meeting under the leadership of the former Prime Minister, there was a fair measure of consensus relative to the resource field, which included offshore resources as well as those geographically situate within a province.

While this province has always expressed reservations in the total resource field, when it comes down to any formal alteration to the constitution or any definition of this, our province's interest primarily would be in making sure that any constitutional change left the government of Canada in a position where, in terms of the national interest

where it relates to resources or anything else that has a major impact on the economic wellbeing of the total country, it would be, as it is now, in a position to exercise influence on a national basis.

That has been the general posture of the government and it is one that is consistent with the discussions that have been going on for some four or five years.

Mr. S. Smith: By way of supplementary, since I did not hear in that response an answer to the question, may I phrase it slightly differently? Is the Premier in favour of or against the idea of the federal government unilaterally giving up 100 per cent federal control over the offshore resources and giving that control to the coastal provinces? If by any chance he is not in favour of that move, would he consider a move by Ontario to refer the matter to the courts to find out if the federal government is within its constitutional jurisdiction to give up control of coastal resources?

Hon. Mr. Davis: I think if the Leader of the Opposition were to consult on his geographic right with very learned counsel who is fully knowledgeable in matters of the constitution and the law that relates to it, he would discover that the government of Canada cannot unilaterally give up something that is constitutionally theirs.

The Leader of the Opposition may recall there has already been some degree of litigation with respect to this issue and that the matter has not, in legal terms, been finally resolved in a way that is acceptable, I would assume either to the government of Canada or to those provinces that are affected.

I think the Leader of the Opposition is not phrasing the question properly because we never have supported, neither do we support now, control in the sense that the federal government has no right to become involved or to intervene, whether in the resource field or some other field that relates to the economic wellbeing of the nation.

They have that constitutional right now. In my view, that should not be altered, although this province indicated in the Toronto consensus of some months ago that we were prepared to look at some altered wording that would clarify the question of control in that sense of the word as used by the provinces and of the right and responsibility of the government of Canada in terms of the national interest to have some power or authority under any constitutional amendment.

Mr. T. P. Reid: Supplementary: I understand there is no dispute over the jurisdiction of the province of Ontario over the lands underneath the Great Lakes and that, in fact, the resources there belong to or are attached to Ontario.

Does the Premier have a decision from the people in his government as to the rights of the province of Ontario to those lands underneath James Bay and Hudson Bay? If so, what is that position? Has the Premier approached his kissing cousin in Ottawa and asked that those resources be attached to and for the province of Ontario?

Hon. Mr. Davis: I want to make it very clear to the honourable member, I don't have that sort of relationship with the Prime Minister of Canada.

Mr. T. P. Reid: I don't blame you.

Mrs. Campbell: Oh, you don't?

Mr. Ruston: Not like the former one.

Hon. Mr. Davis: I said "that kind of relationship." The member for St. George should know anyway.

I find the question intriguing because what the member is really saying is that the province of Ontario should, in fact, have control of the resources under James Bay and Hudson Bay, which would put the province of Ontario in the same position Newfoundland is seeking and Nova Scotia is seeking because when one gets down to it there isn't much difference to the question of whether the water is under James Bay or the Gulf of St. Lawrence. It is water; it is offshore. It is not an internal body of water.

I haven't that determination, but I'm sure if there is to be some federal policy that gives "control" in the sense that I use the word, then I am sure this would also apply to those areas where Ontario too has potential offshore resources.

Mr. Roy: Supplementary, Mr. Speaker: Listening to his answer to the Leader of the Opposition, I wonder if the Premier would agree that first of all the Supreme Court of Canada ruled that jurisdiction over offshore resources rested with the federal government?

Second, in view of his answer and the position taken by the government of Ontario and himself as Premier, it is obvious from his answer that he and Joe Clark are not in agreement. Is he going to advise the Prime Minister of Canada about his position and the fact that he differs from the position, at least publicly, he has taken with the provinces—be it British Columbia or Newfoundland—and advise them that he as Premier of Ontario does not agree with his policy and the giveaway of the last few weeks?

Hon. Mr. Davis: The member, who is also a constitutional expert, perhaps misunderstood what I said to his leader.

Mr. Roy: The Attorney General (Mr. McMurtry) says it's got a better record than he has.

Hon. Mr. Davis: I don't know what kind of record the member is referring to.

Interjection.

Hon. Mr. Davis: If those two members want to go outside and compare records they can be my guest. I have no intention of getting into that debate.

Mr. Speaker: Meanwhile, back to constitutional matters.

Hon. Mr. Davis: Yes, Mr. Speaker, getting back to the question that was asked, I will try to explain it again.

The Prime Minister of this country made an indication to the Premier of Newfoundland in this area of debate that has been going on for many years. It came relatively close to a form of conclusion at the first ministers' conference, where the question of resources —both offshore and, shall we say, geographically not offshore—was a matter of considerable debate.

Ontario's position was that we were prepared to see some reconciliation of this issue as long as the authority was given to the government of Canada, whether the resources were offshore or not offshore, in terms of the national interest when necessary to move in to solve a problem. That is putting it in very simplistic terms; I don't have the wording of the consensus that was agreed to.

Mr. Roy: That's not what Joe has done.

Hon. Mr. Davis: The Prime Minister is quite aware of this.

HOSPITAL BED ALLOCATIONS

Mr. Cassidy: I have a question for the Premier on the question of health. I want to tell the Premier that the Wellesley Hospital has had to close 180 beds this summer because of the financial constraints of the Ministry of Health. I want to tell him as well, that the—

Mr. Speaker: Do you have a question?

Interjections.

Mr. Cassidy: I can ask him: Is he aware that the senior administrators of the hospital reported to the minister six weeks ago that these cuts had imposed intolerable strain on the services of the hospital? If I can quote, they said that "the continuation of the ministry's present policy will inevitably result in deterioration in the quality of the health services available to the public at the Wellesley Hospital."

In the light of this kind of sober determination by senior administrators at a hospital like the Wellesley Hospital, is it the government's intention to continue its policy of hospital and health cuts in Ontario?

Hon. Mr. Davis: I am not sure that all of the information suggested by the leader of the New Democratic Party is quite as clear-cut or as simplistic as he presents. The Minister of Health (Mr. Timbrell)—who at this very moment is attending to an increased capacity at the East General Hospital—more beds are being made available by an increased operating grant—will be here tomorrow morning. I am sure he would be delighted to discuss the particulars of Wellesley Hospital with the honourable member.

I have a particular interest in that hospital. Five of our five were born in that great institution. I would be the last one to see—

Mr. Swart: He's not asking for details on Wellesley, he wants to know your policy.

Hon. Mr. Davis: All right, I'll state our policy very simply.

Mr. Warner: Destruction of the health-care system.

Hon. Mr. Davis: Our policy very simply is to maintain the finest health-care system anywhere in North America and I defy anyone to find any place that's any better. That's our policy.

Mr. Makarchuk: It's known as the vandalization of the health-care system.

[2:30]

Mr. Warner: Premeditated destruction.

Mr. Cassidy: Mr. Speaker, since I have just come back from a couple of weeks travelling across the province and since administrators, health staffs, health-care workers and health councils told us the same story, which is of emergency wards overcrowding—

Mr. Speaker: Is there a question there some place?

Mr. Cassidy: Mr. Speaker, since the stories that we have heard from the Wellesley are similar to what we have heard from across the province, and in view of what the Premier has just said, is he prepared to guarantee to this House there will be no more hospital bed cuts in the province of Ontario until adequate alternative services are available in the community?

Hon. Mr. Davis: Mr. Speaker, I have made this statement before; I will repeat it. I give

a commitment to the people of this province, not to the leader of the New Democratic Party, that they will continue to have the finest health-care system available anywhere. That is factually the case right now.

Mr. Makarchuk: You are the best thing we have got going for us, Bill.

Mr. Conway: Supplementary to the Premier's statement about the finest health-care system in the world, has the Premier and his government decided to make a formal presentation as a government to the federal inquiry just struck by the new administration in Ottawa which is going to review the principles of medicare? Has this government taken a position about making such a presentation which would hopefully make it clear that the government of Ontario is not prepared to allow a further erosion in that part of the central policy which has to this point been substantially compromised by a lack of leadership here and elsewhere?

Hon. Mr. Davis: Mr. Speaker, I don't know where the honourable member thinks the erosion is taking place. Perhaps it was with his former friends in Ottawa, I don't know. I can only say to him this government will be making its views known.

Mr. Cassidy: Supplementary, Mr. Speaker: Since the administrator of the Wellesley Hospital has told us that every day this summer two or three patients would have to be sent to other hospitals because of lack of beds; since emergency patients have had to be located into other hospitals and couldn't be accepted because of a lack of beds; since elective surgery was being cancelled on occasion because of a lack of beds in that hospital this summer; and since they talk from their professional point of view of intolerable strain on their health services to people in downtown Toronto, is this the kind of health care the Premier of this province considers adequate for Ontario?

Hon. Mr. Davis: Mr. Speaker, I would never by any stretch of the imagination presume to suggest that the honourable member has really asked that question now three times this afternoon. My answer is, very simply, the same. When it comes to a discussion of a particular hospital, I happen to know the Minister of Health will be delighted to discuss Wellesley in specific terms.

I also would reiterate what I said for the third time this afternoon. The policy of this government remains consistent: we intend to provide the finest health system possible in this province. It is a system that, with great respect—I don't care how many tours the member takes around the province—he can go anywhere else in North America and will not find a superior health system to what we have in this province.

Mr. B. Newman: A supplementary of the Premier, Mr. Speaker: Is the Premier aware the health-care services in the city of Windsor are not up to the level they should be? Quadruplets were born in the city of London because services in the city of Windsor were not good enough for that birth to take place there.

Hon. Mr. Davis: Mr. Speaker, I am not really competent to comment on that. However, knowing the city of Windsor somewhat —not as well as the honourable member—I would say that on balance Windsor has an excellent health system available to the citizens of that community. Whether or not a hospital is in a position to handle the particular situation, I quite honestly can't say, but I am sure the Minister of Health would be delighted to give the member some information about it.

GAS AND OIL SUPPLIES

Mr. Cassidy: I have a new question for the Premier relating to supplies of heating oil this coming winter.

In view of the optimistic statements that were given to this House in the spring about the supplies of heating oil over the course of the year, can the Premier now assure the House that there will be adequate supplies of heating oil in Ontario over the course of the winter 1979 and 1980?

Hon. Mr. Davis: I must confess that I enjoy question period more than any hour of the day and I am delighted to answer almost every question, but I really think a question of that nature should be given to the new Minister of Energy, who is handling these responsibilities with such great logic and intelligence.

An hon. member: Duck the issue again.

Hon. Mr. Davis: I am prepared to give this assurance, but I really think you should ask the Minister of Energy his answer to that question.

Mr. Cassidy: Supplementary: Since the minister's predecessor said the government would be closely monitoring the situation over the course of the summer, is the minister aware that the North Shore District Roman Catholic Separate School Board has been told by the four multinational oil companies that normally meet the board's heating oil supplies that they are not tendering this year and that three of those four companies

have specifically said they are not in a position to tender because of supply constraints?

Can the minister tell the House what is going on, when major public bodies, such as this school board, are not able to get their supplies from the traditional suppliers?

Hon. Mr. Welch: The honourable member may be able to point to some particular parts of the province wherein the—

Interjections.

Hon. Mr. Welch: I would have thought that fair play would have allowed me to at least finish the sentence. Maybe you can be yourself tomorrow, but give the new boy a break today.

An hon. member: The new boy may not be here tomorrow.

Mr. Speaker: Order, order.

Hon. Mr. Welch: The original question, to which we now have the supplementary, had to do with the overall supply situation, as far as this winter is concerned.

My predecessor, in responding to this earlier—and I now associate myself with that particular answer—indicated that the situation would be tight but manageable. I have no reason to believe that there has been any significant change that would prompt any other answer.

In the last day or two it has been brought to my attention by one of my colleagues and now by the leader of the third party that there may be some particular problems where there couldn't be a complete operation of the tendering system—that all companies may not tender.

That is saying something different than the fact that there would not be any fuel oil available for heating, and I draw that very nice distinction. He didn't say there wouldn't be any; he simply said that some companies may not be able to tender in some parts. That is a much different comment than there being no fuel oil at all available, surely.

Interjections.

Mr. J. Reed: Understanding the American experience, where a four per cent shortfall in supply caused serious disruption in the transportation industry last year; understanding the Ontario energy review which shows the domestic oil supply dropping at an accelerating rate; and understanding, as well, that the Premier has indicated publicly that he doesn't want petroleum price to be the signal for conservation, would the minister at least complement the Premier's position by undertaking insurance that there will be adequate petroleum supply in Ontario this winter?

Hon. Mr. Welch: I wouldn't want to suggest the honourable member is attempting to misunderstand the earlier answer, but surely the responsible position is not really to try to suggest other than what the answer itself quite clearly stated; that we have no reason to believe that we have problems for this coming heating season; that the security of supply is there, and we are doing it on the basis of information which we have from the National Energy Board, and in our own monitoring processes.

I repeat that I am advised at the moment, on the basis of all information that is available and barring some unforeseen international incident, that the supply situation, although it's tight, is manageable and the people of Ontario have that particular assurance at this time.

Mr. Wildman: Final supplementary: Can the minister explain for us why it is that not only the North Shore board is having trouble but the Espanola public board is switching to natural gas because they can't get supplies either and why it is that Texaco, Gulf and Shell all said they couldn't supply because of constraints on supply this winter?

Hon. Mr. Welch: I think the honourable member is entitled to some more detailed explanation as to why certain companies may not be submitting tenders in that situation and I will attempt to get that particular explanation from those companies.

ASSAULT CASE

Mr. Stong: I have a question of the Attorney General: Would the minister comment on the report appearing in one of the Toronto dailies yesterday which is attributed to a provincial judge in finding Tom Wardle, a local politician, guilty of common assault? He is reported as having said that he wasn't going to be any noisier than he had to be about what was behind the assault, but that if an ordinary citizen was before him he would want to know.

If plea bargaining between the crown counsel and defence counsel played a role in this court procedure is the minister satisfied that in the interest of deterrents, the public's right to know and the preservation of the integrity of the judicial system, his representative brought all relevant facts to the attention of the presiding judge?

Hon. Mr. McMurtry: Yes, Mr. Speaker, I am quite satisfied that crown counsel acted in the best traditions of that office and did bring all relevant facts before the provincial court judge.

Mrs. Campbell: Supplementary: Is the Attorney General also satisfied with the statements of the presiding judge as they appeared in the press?

Hon. Mr. McMurtry: I'm not sure just what statements the member for St. George is referring to. I am not going to comment at large about some unspecified statements which were purportedly reported in the press, Mr. Speaker.

Mr. Stong: Supplementary: Is the Attorney General not concerned that should this statement have been made by one of our presiding judicial figures that it would have a very detrimental effect on the judicial system?

Hon. Mr. McMurtry: Again, I do not know what specific statement has been referred to, Mr. Speaker.

Mrs. Campbell: Final supplementary: Would the Attorney General, having heard the expression of concern from the official opposition, order a transcript so that he may know as a fact what his honour did say?

Hon. Mr. McMurtry: I would again, Mr. Speaker, invite the members of the opposition to sort of communicate in some more rational form the nature of their concern.

CAS FUNDING

Mr. McClellan: My question is to the Minister of Community and Social Services on the financial crisis facing our children's aid societies in this province.

In view of the fact that 10 children's aid societies, including Hamilton-Wentworth, Niagara Regional Children's Aid Society and Thunder Bay Children's Aid Society, have been held at budget increases below five per cent despite the minister's promises of increases of five per cent on the base and up to 12 per cent for additional initiative money; in view of the fact that the average increase for societies in Ontario is only 6.9 per cent; in view of the fact that contingency plans have already been made by children's aid societies to lay off as many as 300 child-care workers in this province; and in view of the plain fact that the Algoma Children's Aid Society has been out of service since July 10, I want to ask the minister, if these constraints continue, how long does he think it will be before we have another Jennifer McGill case, another Kim Anne Popen case, another Tanya Lesard case, another Robert Shepherd case or another Adrienne Paquette case?

[2:45]

Hon. Mr. Norton: Mr. Speaker, perhaps I could address the latter part of the member's question first by saying although we are monitoring each of the specific situations to which the member has referred, we have no reason to believe there is any greater risk at the moment than there was prior to the current round of discussions on budget matters.

Interjection.

Hon. Mr. Norton: I would point out to the member some of the figures he is referring to—for example, the reference to layoffs—require some very careful analysis on his part. They are figures that have been used by some of the agencies.

I would point out we have met with in excess of 15 of the agencies in the last couple of weeks and resolved some of the concerns they had with respect to their projected layoffs. That is somewhat inflated because of the fact some of those societies chose not to respect the guidelines the ministry issued back on February 1 of this year.

Mr. McClellan: Some societies are facing bankruptcy.

Hon. Mr. Norton: As a consequence, if they have waited until the end of the fiscal year or this late in the fiscal year to respond to those guidelines, what they were faced with was—

Mr. McClellan: Some of those societies are facing bankruptcy and the minister knows it.

Mr. Samis: The minister can't blame it on the societies.

Hon. Mr. Norton: —the necessity that if they had one staff person more than their budget allowed for, and they had only two months in which to recoup that difference, obviously they would have to multiply that by six and lay off six people.

Mr. Warner: Why doesn't the minister blame it on the children?

Hon. Mr. Norton: We are addressing that and we are altering the cash flow to assist those societies that are in that difficult situation to allow them a longer period in which to respond to the guidelines.

I am hopeful that most of the outstanding differences can be addressed. There are a few situations where societies made decisions prior to the receipt of our guidelines of February 1. I hope to be able to address that situation with those societies and ease some of the difficulty they are facing.

I must say, though, those societies that have chosen to ignore the guidelines issued by the ministry in February and have taken decisions which flew in the face, if you wish, of the reality with which we are living, are going to have to make some difficult choices. We will try to ease those as much as we can, but my sympathy is greater for those which

made certain decisions prior to receipt of the guidelines.

Mr. Wildman: A supplementary to the minister: In view of the fact that the longer the disruption of CAS services continues in Sault Ste. Marie and Algoma the greater is the risk of a serious tragedy occurring, will the minister inform the House how much longer the dispute must continue before he will make available the funds necessary to enable the CAS board to bring about a settlement and begin to fulfill its obligations under the Child Welfare Act which they themselves have indicated to the minister they cannot now fulfill?

Hon. Mr. Norton: Mr. Speaker, it never ceases to amaze me at times that the honourable members opposite will in a given situation take a position that one ought not to be interfering in these processes and at another time will insist that one ought to be interfering.

Mr. McClellan: The minister is interfering by not giving them enough money to do their job. Fund them properly.

Hon. Mr. Norton: I will assure the honourable member it is my information, the best information available through senior staff of my ministry on site, that the children are not at risk as a result of that situation. I must say I am concerned about the strike; I am deeply concerned about the length of time it has lasted; but I also want to make it very clear there are other parties who have responsibilities they must acknowledge in resolving that situation.

I am not going to act precipitately to interfere with the bargaining process.

Mr. McClellan: The minister's cutbacks have caused the strike.

Hon. Mr. Norton: Those individuals who have embarked upon it must accept the responsibility of having embarked upon it and resolve it. My responsibility is to ensure children are not at risk—

Mr. McClellan: It's been four months.

Hon. Mr. Norton: —and I will do my level best, I assure this Legislature, to ensure that does not happen. I would dearly love to see that resolved. But I think the suggestion the honourable member makes is in fact jumping in on one side or the other; I don't know what he envisages me doing.

Mr. McClellan: Fulfilling your responsibility under the act; that's what.

Hon. Mr. Norton: I am not going to interfere with that process unless it is clear to me, on the basis of the information I have from my staff, that in fact there are children at risk.

Mr. Nixon: A supplementary question, Mr. Speaker: How does the minister respond to the charges that have come from children's aid societies in my area that it is their feeling that the minister himself and his panoply of administrative officials have not reduced their own budget by any significant amount and continue with the regionalization of their offices, the whole group of public information officers, and the review of all the policies on an expensive basis, rather than channelling the money where it would do the most good, to the societies themselves, which are on the front line of children's care?

Hon. Mr. Norton: Mr. Speaker, I would like to assure the honourable member that the conditions under which we got approval for the reorganization of my ministry from management board and cabinet were that there would not be increased expenditures as a result of that. I can assure the member that is what we are doing. We are not spending more money through the reorganization of my ministry. It is a fallacy to say that we are. It's not so. It may appear that way to some who do not understand fully what is being done or how it is being done. There may at some point be a saving, but there is not a saving at this point. There are no additional expenditures involved in the reorganization.

PROPOSED JUDICIAL DISTRICT FOR REGION OF YORK

Mr. Hodgson: Mr. Speaker, I have a question of the Attorney General. Since the courthouse and registry office in Newmarket will be ready to move into early in the new year, in 1980, will he be preparing legislation during this session so that the region of York will be made a separate judicial district?

Hon. Mr. McMurtry: Mr. Speaker, I am of the view that with the opening of the new courthouse there should be a special judicial district in the region of York, and we are preparing legislation with that in mind.

In so far as the registry office is concerned, I think that portion of the question should be directed to the Minister of Consumer and Commercial Relations.

Mr. Hodgson: Mr. Speaker, can I redirect my question?

Mr. Speaker: If the minister chooses to respond.

Hon. Mr. Drea: Mr. Speaker, with the legislation creating a separate judicial district for the region of York, I will be delighted to

put a new registry office in there. I like new registry offices.

FRENCH-LANGUAGE EDUCATION

Mr. Roy: Mr. Speaker, I have a question of the Minister of Education. It pertains to the change of policy in her statement of October 5, 1979.

First of all, does the minister realize she is fast becoming the most reactionary of the bunch over there?

Mr. McClellan: Not fast becoming; she's been there for a long time.

Mr. Roy: In making a change in policy, why did she not have the guts to tell the people of Ontario and the people of Canada, in terms of the 10,000 students involved in French-language education, in what we call the 35 mixed schools, that what she calls the best of French-language education is out of the question and that assimilation is inevitable?

Why did she reject the approach taken by her predecessors in Education? Why did she reject recommendations from her own ministry and from her Languages of Instruction Commission as to guidelines and as to numbers? Why did she take the approach, as far as Penetanguishene was concerned and the 35 other mixed schools in Ontario, that she was accepting what she called a new policy but one that has been proven in the past not to work and one that her own ministry officials have said in the past does not work?

Hon. Miss Stephenson: Mr. Speaker, I hope the honourable member is very much aware that we are not talking about the continuation of mixed schools but about the development of further francophone programs for secondary school students in Ontario specifically directed towards expanding the educational experience in French for francophone students, 10,000 in number, who are at present enrolled in mixed schools.

Nine of those mixed schools are in areas where there is, in addition, a separate francophone secondary school. I would presume many of the students in those situations have made the decision to attend a mixed school on the basis of their freedom of choice to attend either a mixed or francophone school.

Mr. Roy: They have no choice.

Hon. Miss Stephenson: In the other 26 schools, there is no choice for the students. That is the direction we are attempting to move in—to ensure that those students will have the opportunity to achieve their secondary school graduation diplomas, both grade 12 and honour graduation diplomas, totally within the French language. That is the purpose of the action described in the statement which was made. I think I'm probably a good deal less reactionary than the member for Ottawa East.

Mr. Breithaupt: Nobody in Ottawa East is reactionary.

Mr. Roy: I'd like to ask the minister why, last week in a press conference, she gave the Hamilton case as an example of a mixed school that was working when apparently she knew that the school was not working well. It is not working well.

Secondly, when she is calling something that is not "mixed education" she is just changing the name of it, but her new policy is to emphasize mixed schools. Her own ministry officials have stated, and I quote: "It was almost a total denial of basic educational needs on a massive scale affecting almost all schools in the sample."

Why did she change policy, except for that principle, and reverse a position that had been taken by the government and accepted by her predecessors? Why did she take that approach?

Hon. Miss Stephenson: I should very much like to see the example of statements from the officials of the Ministry of Education the honourable member is waving in his hand at the moment.

We are not, in fact, promoting assimilation. We are attempting to minimize assimilation in the best possible way at the present time, given the problems of declining enrolment and the increasing capability of school buildings—

Mr. Martel: Minimize?

Hon. Miss Stephenson: —already existent to accommodate students in a variety of ways, including separate francophone entities.

I feel very strongly that I have the responsibility as a representative of the taxpayers of the province to ensure that whatever funds are available to me for construction of schools is directed towards those areas in which there are no pupil places.

The specific problem of the francophone students in Penetang is one which is of very real concern to this government and to the Ministry of Education. We have tried to find an appropriate solution which would ensure the enhancement of the educational program for those students within the limitations of the existing structures in that school board area. We are also concerned with the demographic projection that within two or three years the existing secondary school, which

comfortably accommodates more than 900 students, will probably have within its walls not more than 650 students both anglophone and francophone.

It is very difficult to justify building new, separate, expensive accommodation when there will be ample accommodation in the very near future.

Mr. Bounsall: The minister has clearly retreated from the policies of her predecessors, the members for Scarborough North (Mr. Wells) and Brampton (Mr. Davis).

With respect to the specific effect of the announcement of not building the distinct school, Ecole Secondaire de la Huronie in Penetang, and the appropriateness of that decision, is the minister not aware that since her announcement the principal of Penetang secondary school has said he can't see how the program she enunciated can be accommodated within the present school facilities? The superintendent of education has said it is not feasible and the Simcoe board of education at its meeting last night did not accept her proposal as a solution. It felt the $100,000 was clearly inadequate to hire a director and sufficient teachers to run a fully French program in that school.

Why has she retreated? Why has she not continued the policies of her predecessors in constructing this distinct high school and consulted, as she hasn't for three and a half months, the francophones and the French-language advisory committee in that community?

[3:00]

Hon. Miss Stephenson: Mr. Speaker, in order to set the record straight—

Mr. Cooke: It will be the first time you've done that.

Hon. Miss Stephenson: —there was a meeting of the Simcoe County Board of Education last night, at which there was a request made of the director of education, who is working diligently at this point with the director of the central region of the Ministry of Education, to examine the implementation of the program. The request from the Simcoe county board last night was for a report on a potential implementation program, which was to be supplied to the board within two weeks. It was not rejected in any way.

An hon. member: It was not accepted.

Hon. Miss Stephenson: A request was made of the Ministry of Education to define more clearly the requirements of staff. I was asked for a ball-park figure at Simcoe and I gave them a ball-park figure. I'm aware it is not accurate.

Mr. Mackenzie: You're backing down.

Interjections.

Hon. Miss Stephenson: An accurate figure will be developed.

In addition to that, I believe the excellent record of the government of the province of Ontario in providing a French minority language education program is being pursued and upheld vigorously, with our efforts which are directed specifically towards the expansion of French-language educational programs for secondary school students and with the program that has been announced.

We are sensitive to the needs of the francophone community. We are sensitive to their requirements and to their aspirations—

Mr. Cassidy: No, you're not.

Hon. Miss Stephenson: —and we understand those aspirations. The ideal is what is being proposed in Penetanguishene and I should be delighted, as would any other politician, to always be able to say with a very openhanded gesture, "Yes, we will provide whatever it is you need in terms of structure."

Mr. Warner: You have to close schools.

Mr. Cooke: Put your money where your mouth is.

Hon. Miss Stephenson: I cannot say that in all conscience at this time, without knowing precisely how many students we would have in that school and knowing that within a very few years' time it is obvious the present structures will be more than adequate to house any number of students within the Penetanguishene area.

Interjections.

Hon. Mr. Welch: Have you read the statement?

Mr. Martel: I've read the contradictory statements.

Mr. Sweeney: Supplementary, Mr. Speaker: In arriving at her decision, what weight did the minister give to the fact that the majority —not the minority; as a matter of fact, 60 per cent—of the elementary school students feeding into that secondary school come from French-language elementary schools? In that situation, it's a majority, not a minority.

Hon. Miss Stephenson: We gave a great deal of weight to the information available to us from the census of the school boards and from the demographic projections of that area made by that board and by others. It is quite possible, as I think the honourable member is probably suggesting, that within about three years' time there will be, in the Penetang secondary school area, approximately

650 students instead of the 900 there at the present time—

An hon. member: Your policies will drive more away.

Hon. Miss Stephenson: —of whom probably more than half will be francophone students in a fully francophone course. We gave great weight to that specific figure which has been developed.

Mr. Roy: Change the whole policy.

INTEREST RATES

Mr. Laughren: Mr. Speaker, I have a question for the Treasurer. In view of the fact the Treasurer and the Premier both spoke out for Ontario's interests on the price of oil, I'm wondering if the Treasurer is prepared to do the same on the price of money. Would the Treasurer tell us what representations he intends to make, or perhaps has already made, to his federal counterparts in Ottawa to have the latest interest rate increase rescinded?

Hon. F. S. Miller: Mr. Speaker, I have grave concerns about the automatic policy of following the American rates.

Mr. Warner: However.

Hon. F. S. Miller: I'm delighted to see a committee of the federal House has been set up to study that very matter and give it the airing it deserves. I think one of the things that has to be pointed out is inflation in Canada is a full four per cent less than it is in the United States and, of course, the American moves to some degree have been predicated on their inflation.

Mr. Laughren: To start with, the Treasurer didn't answer the question, but secondly, has the Treasurer done any projections at all on the impact on the Ontario economy of this latest increase—specifically, in terms of investment, in terms of housing starts and in jobs, since this is a 39 per cent increase in the interest rate in the last two years?

Hon. F. S. Miller: Mr. Speaker, I can't give you a specific effect of the change in the interest rate. As some of the economic people have said, the borrowing continues to go on, but the real people who, I would say, suffer from it are small businessmen and individuals who are borrowing for their own purposes. We have a very real concern, because that can spin off and cause unemployment and other problems.

FANSHAWE COLLEGE

Hon. Miss Stephenson: Mr. Speaker, on June 19 and again on June 21 the member for London North requested information concerning the settlement between the board of governors of Fanshawe College of Applied Arts and Technology and the former president, Dr. James A. Colvin.

On June 21 a letter was dispatched from me to the chairman of the board of governors, and I would quote the letter:

"Dear Dr. Siess:

"As a result of questions in the Legislature I would appreciate receiving from the board of governors of Fanshawe College the details of the settlement between the college and Dr. J. A. Colvin.

"Yours truly," with my signature.

In a letter which was dated September 4, which was received in my office on September 10 and brought to my attention late the following day, the chairman advises me as follows, and I quote the letter:

"Dear Dr. Stephenson:

"Your letter of June 21, 1979, requesting the details of the settlement between the board and Dr. James A. Colvin was received by the board of governors at its August meeting and I have been directed to reply.

"In the settlement of the action commenced against the board by Dr. Colvin, the board paid $70,000 to Dr. Colvin, transferred to him the title and ownership of the car that he had been driving for the past three years, and agreed to continue the group life insurance policy for 15 months.

"While you will, no doubt, do what you think is best with this information, you should be aware that it was the understanding of the parties that it would in fact be confidential.

"Yours sincerely,

"T. F. Siess, Chairman of the Board."

Mr. Van Horne: I appreciate the answer from the minister but I would ask, in the light of the public funds involved, have you given any direction, or should direction be given, to boards or institutions over which the ministry has some authority, indicating to them that they don't make secret deals with private funds?

Hon. Miss Stephenson: I shall take that into consideration.

[Later (5:45):]

Mr. Van Horne: May I rise on a point of privilege?

I would ask your indulgence, Mr. Speaker. Earlier this afternoon I asked a question of the Minister of Education and I would like to correct the record. I would like to redirect the question. It should have been: "I would ask, in the light of the public funds involved, has any direction been given or should direction be given to the boards or institutions over which the ministry has some

authority, indicating to them that they don't make secret deals with public funds." That is the correction, "with public funds."

Mr. Speaker: I'm sure our people in Hansard will take note of that.

[Reverting (3:08):]

REPORTS

SELECT COMMITTEE ON THE OMBUDSMAN

Mr. Lawlor from the select committee on the ombudsman presented the committee's seventh report.

Mr. Lawlor: In accordance with standing order 30(c), if I may be permitted to make a brief statement on this particular report, I shall then move the adjournment of the debate.

Mr. Roy: Mr. Speaker, just on a point of order, I might advise I am dissatisfied with the answer of the Minister of Education. I intend to raise the matter at the adjournment.

Mr. Speaker: Mr. Lawlor has the floor.

Mr. Lawlor: The committee, I am sure, is particularly anxious to thank the members of this House for the confidence you have reposed in this particular committee.

Secondly, we wish to say we trust the House is gratified to learn the work of that committee is substantially cut back, and the sitting dates are not as great. That is because of the new co-operative attitude on the part of all sides, and particularly the cabinet of this province.

On motion by Mr. Lawlor, the debate was adjourned.

STANDING RESOURCES DEVELOPMENT COMMITTEE

Mr. Villeneuve from the standing resources development committee presented the committee's first report.

On motion by Mr. Villeneuve, the debate was adjourned.

MOTIONS

ESTIMATES

Hon. Mr. Wells: Mr. Speaker, just before I move some motions, I would like to do as my friend from Huron-Bruce did in drawing attention to a change in this chamber. I would like also to draw members' attention and yours, sir—you may have difficulty noting the change since your back is to it—but I noticed for the first time since I've been sitting in here that the drapes are open.

Mr. Nixon: You've seen the light, haven't you, Tom?

Hon. Mr. Wells: Some people say it's to let in a little light on the discussions here; others say it's to let us know there is a real world out there. But I think it's a move for the better and those who planned it are to be commended.

Hon. Mr. Wells moved that notwithstanding the motion of the House adopted on April 9, 1979, the estimates be referred to the standing resources development committee in the following order.

Reading dispensed with. (See Votes and Proceedings.)

Motion agreed to.

PRIVATE MEMBERS' BALLOT

Hon. Mr. Wells moved resolution 6.

Reading dispensed with. (See Votes and Proceedings.)

Resolution concurred.

COMMITTEE SUBSTITUTIONS

Hon. Mr. Wells moved that the following substitutions be made:

Standing general government committee: Mr. Watson for Mr. Rowe.

Standing resources development committee: Mr. Newman, Durham-York, for Mr. Watson; Mr. Yakabuski for Mr. J. Johnson, and Ms. Gigantes for Mr. Foulds.

Standing administration of justice committee: Mr. Cureatz for Mr. Jones; Mr. Rotenberg for Mr. Kennedy; Mr. Sterling for Mr. McCaffrey; Mr. J. Johnson for Mr. Ramsay; and Mr. Williams for Mr. Turner.

Standing social development committee: Mr. Rowe for Mr. Pope, and Mr. R. F. Johnston, Scarborough West, for Ms. Gigantes.

Motion agreed to.

SITTINGS OF THE HOUSE

Hon. Mr. Wells moved that when the House adjourns at six o'clock today it stand adjourned until 10 o'clock tomorrow morning.

Motion agreed to.

NOTICE OF DISSATISFACTION

Mr. Stong: Mr. Speaker, I would like to indicate my dissatisfaction with an answer received from the Attorney General and submit it in writing to you.

Mr. T. P. Reid: Disgraceful.

INTRODUCTION OF BILLS

ONTARIO BIBLE COLLEGE AND ONTARIO THEOLOGICAL SEMINARY ACT

Mr. Kennedy, on behalf of Mr. Williams, moved first reading of Bill Pr 20, An Act respecting Ontario Bible College and Ontario Theological Seminary.

Motion agreed to.

[3:15]

DINORWIC METIS CORPORATION ACT

Mr. Hennessy moved first reading of Bill Pr17, An Act to revive the Dinorwic Metis Corporation.

Motion agreed to.

SMITH BROTHERS JEWELLERS LIMITED ACT

Mr. Sterling moved first reading of Bill Pr26, An Act to revive Smith Brothers Jewellers Limited.

Motion agreed to.

CITY OF HAMILTON ACT

Mr. Mackenzie moved first reading of Bill Pr10, An Act respecting the City of Hamilton.

Motion agreed to.

CITY OF CORNWALL ACT

Mr. Samis moved first reading of Bill Pr19, An Act respecting the City of Cornwall.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, before the orders of the day I wish to table the answers to questions 166, 173, 214, 215, 216, 217, 222, 223, 227, 235 to 237, 242 to 245, 247, 249, 250, 254, 257, 259, 263 to 269, 272 to 274 and 276 standing on the Notice Paper. (See appendix A, page 3333).

[Later (5:55):]

Hon. Mr. Wells: Mr. Speaker, I would like to table the answers to questions 197, 275, 224 and 251 on the Notice Paper. (See appendix A, page 3333).

[Reverting (3:20):]

TABLING OF ANSWERS

Mr. Breaugh: Mr. Speaker, on a point of order: There are a number of questions that the minister has just tabled which under the rules of this House were to be answered within a two-week period and for which the members have all accepted that there were extensions necessary. Could the Speaker give us a ruling on whether it is desirable or in order that ministers of the crown would withhold such answers until the House resumed?

I am told, for example, that many of these answers were available much earlier—in fact closer to the projected dates given by the ministries—but were held until the opening of the House. I am perplexed as to the reason for that.

Mr. Speaker: I don't know that there is any specific mechanism for a minister to table an answer to an inquiry when the House is not in session. If it is the wish of the assembly that answers be tabled with the office of the clerk as they are available, I don't suppose anyone would have any objection to that.

If there is unanimous consent for that procedure, I see no reason why the House shouldn't have the authority to do that.

Hon. Mr. Wells: I think it is well that we consider this matter because certainly there has been a slight difference of opinion.

My friend is quite correct, some of the answers have been ready, but the government has taken the position that they should be tabled in the House and that there was no appropriate way to table them when this House was recessed. For that reason we have kept them and they are now being tabled, and I expect to have some more either today or tomorrow morning.

If the members wish to look at the matter of a vehicle to table answers within the time frame we have talked about and agreed upon, other than when the House is sitting, I think we wouldn't disagree with that; but perhaps you, sir, and the committee, could make some suggestions on that.

Mr. Speaker: Rather than have it resolved in an informal way, I think perhaps it would be in order to have the member who raised the question, who is also the chairman of the procedural affairs committee, bring in a recommendation to the House. I am sure members would be happy to act on it one way or another.

Mr. Roy: Point of order, briefly: Pursuant to the standing orders, as you know once notice has been given in relation to dissatisfaction on a question, they refer to either a Tuesday or a Thursday evening at 10:30. Considering that this Thursday the House will not be sitting at 10:30, what is the usual procedure?

Mr. Speaker: The following Tuesday.

Mr. Roy: The following Tuesday?

Mr. Speaker: At 10:30.

Mr. Martel: You have to come back, Albert.

Mr. Roy: I will be back.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

EMPLOYMENT STANDARDS AMENDMENT ACT

Mr. Charlton moved second reading of Bill 126, An Act to amend the Employment Standards Act, 1974.

Mr. Charlton: I very much appreciate the opportunity this afternoon to deal with this matter of an amendment to the Employment Standards Act.

I introduced this bill out of a growing concern on my part, and on the part of a number of my colleagues, that the lot and the problems facing the domestic employees in the province of Ontario have been ignored for far too long by this government and by this House.

We have come a long way in the province of Ontario in providing basic protections for the general public and for working people in this province. We haven't solved all of the problems, we still have a lot to accomplish; but for the most part, for most people, we have come a long way.

We have, for example, the Labour Relations Act, the Workmen's Compensation Act, the Ontario Human Rights Code and the Employment Standards Act. All of these pieces of legislation are reasonably progressive. They have their faults, and we will work at amending them, but they are reasonably progressive and we have provided for most people in our society a level of security, of dignity and of fairness in their day-to-day lives and in their work places which probably is not outdone anywhere in the world.

Strangely, though, for all of the humane traditions that we have developed in this country and this province over the last century, it seems as though we still have to make the case for being humane and for understanding, for providing dignity and security and fairness and protection towards society, to the individuals in our society and to the working people in our society, sector by sector, job category by job category. We still haven't been able to accept that the minimum standards we have set for the majority should be universal as minimum standards. Our society in general believes, for example, that the minimum standards, protections and compensations provided in the four pieces of legislation which I mention are there for everyone. Most people in this society believe that everybody is covered already. Unfortunately, that is just not the case.

There are a number of groups who remain without coverage under one or more of those acts and there is one group which is excluded in total or in part from all four of those acts. That group is domestic employees.

Domestics have no coverage under the Workmen's Compensation Act, so they have absolutely no protection whatsoever against work-related injuries. They have no coverage under the Labour Relations Act, so they have absolutely no right to organize and to bargain more effectively in an effort to better their own lot. They are excluded from coverage under section 4(8) of the Ontario Human Rights Code, which cuts them off from the access that the rest of us have to protection in the expectation of equal rights in their employment and for protection against discrimination and discriminatory practices in employment.

Domestics are also denied coverage under the Employment Standards Act for hours of work, for minimum wages, for overtime pay, for pay for public holidays and for vacation pay. These are all things which the rest of our society has come to take for granted. Unfortunately, I can't deal with remedies for all these inadequacies this afternoon, so I have chosen to deal with coverage under the Employment Standards Act as probably that is the one area where domestic employees in this province would gain the most immediate and most substantial benefits.

I hope this process this afternoon can be the first step in providing, ultimately, for domestic employees in this province, some measure of social and economic justice, and that eventually we in this House and we in this province can deal with people in domestic employment as equals in every respect.

A number of arguments will be made this afternoon against the coverage I am proposing. One of the foremost arguments that will be used against the coverage is that if we provide the minimum wage for domestic employees we will, in fact, be helping them to price themselves out of jobs because the employers in the field won't be able to afford them any more.

I should just point out to the House and to the Minister of Labour (Mr. Elgie), who doesn't appear to be here, that identical arguments were used against the minimum wage itself before its implementation, and the same arguments have been used over and over again every time we debate in this House increasing the minimum wage. I should point out that very few, if any, of the predictions of impending doom have come about.

Regardless of all of that and regardless of whether even providing the minimum wage to domestic servants may have small negative effect on employment opportunities in that field, we in this House can't use that as a rationalization which, in effect, condones exploitation.

Let me speak briefly about the exploitation of domestic employees. I will start by saying that I don't think anybody here in our caucus believes—in fact I don't know of any one who believes—that every employer of domestic employees is bad and that every employer of domestic employees exploits his servants. That wasn't the case when we gave coverage under the Employment Standards Act to the other sectors in this society and this economy. There was no instance where every single employer was bad, exploitive and taking advantage of his employees; that is not the reason we gave coverage under the Employment Standards Act. Coverage was given then and should be given now to domestic servants, in order to root out whatever exploitation does exist and to prevent exploitation in the future.

[3:30]

Based on a 48-hour work week, even when we included the value of room and board for those employees who were live-in employees, the salaries of domestic servants in Toronto in almost every instance fell below the minimum wage. The best example we could find was about six to eight per cent below the minimum wage. It got much worse, ranging up to as much as 76 per cent below the minimum wage, and we all know that the minimum wage is no hell on its own.

As I mentioned, the figures were all based on a 48-hour work week. In the cases we were able to find, for the most part 48 hours appeared not to be an average work week for domestic servants but a minimum work week, the bottom end. The hours ranged anywhere from 45 to 48 hours right up to 80 hours a week.

The situation in terms of wages and how far those wages are below the present minimum wage is far worse than I cited in the figures I have used. In case after case, we found what we perceive to be very serious exploitation in the areas of wages and hours of work. There are other areas of exploitation as well, but those seem to be the most serious. Without using any names and without causing any problems for some of the individuals who have come to us and laid out their stories, I would like to cite a few examples in terms of conditions.

We had a woman who worked full-time as a domestic. She worked five and a half days a week, 66 hours a week. Her total pay package per month was $400. That included salary, room and board. That works out to about $1.50 per hour. That's only half our present minimum wage.

Then there was a woman employed as a mother's helper. She worked full-time for a salary of $250 a month. If you add to that the value of her room and board it comes to $390 a month. She worked 50 hours a week or $1.91 an hour. That's a little bit better than the first example but still only two thirds of the present minimum wage.

Another mother's helper paid her own health insurance premiums. She was required to work on statutory holidays without any additional compensation. She worked 60 hours a week. Her salary, plus room and board, was $390 a month. It worked out to $1.63 an hour. On top of the 60 hours which she related to us, which are only the hours when she actually physically worked, she was required on several evenings a week to stay in the home to baby-sit. It may not be physical work, but other people receive pay for that kind of employment. She received no extra benefit for those hours spent baby-sitting.

In another case, a full-time domestic employee works five and a half days a week; 10 hours a day or 55 hours a week. Including her room and board, in addition to her wages she earns approximately $2.13 per hour. Again, that is a little bit better than the last three examples, but still only slightly more than two thirds of the present minimum wage. The same situation is true for her. She is continually required to work on statutory holidays without any additional compensation. She is required to baby-sit in evenings in addition to the regular work schedule. She receives no vacation whatsoever and no pay whatsoever for vacation.

Over the last few months we have seen a great deal in the press about this issue. In fact, there have been major articles and a series of articles in the Hamilton Spectator and the Globe and Mail, as well as two major efforts in the Toronto Star, one a series in the regular Star and one in the Star's Weekend. In each case the reporters have gone out and talked to both employers and employees, and in each case they have found some good employers and some happy employees. However, in each instance the reporters have found far too many cases of exploitation—exploitation in terms of salaries, hours of work, threats, some sexual harassment and abuse, and in fact some physical abuse.

The lack of coverage for domestics creates another serious problem. It lies in the area of what normally is supposed to happen in the economic sector in the job market when there is a shortage of people to fill jobs in a sector. The normal process in the free-market society in which we are supposed to live is that if there is a shortage of employees it is either because there are not enough trained people or because the wages, benefits and conditions in that sector are just not acceptable. In the case of domestics, although there are some skills involved, it is largely unskilled people who are filling those jobs.

There is at present a massive shortage of domestics compared to the demand for them. We have no sign anywhere of any effective pressure in the marketplace to raise wages, to raise benefits, to improve working conditions or to shorten hours in order to attract people to those jobs. That is not occurring largely because the present structure of the federal immigration Act allows employers who are looking for domestics and who cannot fill the positions with whatever it is they are offering—because what they are offering is far below the normal minimum standard in our society—allows them to advertise abroad and to bring in immigrants.

Most of these immigrants are women. There are language problems as well as problems in terms of skills and in terms of their ability to deal with any sector other than the domestic sector. These people are brought into Canada, for the most part, on work permits. They have very few rights while they are in Canada on a work permit.

In addition to all the other economic exploitations I have talked about, we have the exploitation of people who are dealt with in the management-employee relationship in terms of threats – threats of deportation, threats of being reported to the federal officials. As a result, we have a situation where most of these immigrant women who are employed in domestic positions under these conditions not only have very few rights, but also are afraid to speak out and to enforce what few rights they do have.

We have had situations brought to our attention where people who have been brought into this country to do a job, and the job did not work out, were dismissed and left on the streets without any money, because the money they were being paid did not leave them with anything to leave the job with. They are left on the street, and they are in Canada on a work permit. They have to have a job to stay in Canada. They have to have a job as a domestic, though. They cannot go out and look for jobs in other industries, because the work permit restricts them. They do not even have the fare to get back to wherever they came from.

We in this House cannot allow these kinds of things to continue. We have a responsibility to domestic employees, as we have to the rest of society.

I would just like to take a few moments to thank some of the people who assisted us in the process that has gone on this year, the process of raising the consciousness; the people from the Labour Rights for Domestic Servants and the people from the Immigrant Women's Centre, and those people who came forward and told us their stories with some concern and some trepidation. I'd like to commend special thanks to my colleague, the member for Hamilton East (Mr. Mackenzie) who spent considerable time and effort in dealing with these people and their problems.

Mr. Deputy Speaker: The honourable member has two minutes remaining. Does he wish to reserve that time?

Mr. Charlton: No.

Mr. Hennessy: The honourable member for Hamilton Mountain is proposing a couple of amendments to one of the finest pieces of labour legislation on this continent.

I am very proud of this government's excellent record in promoting the fair and just treatment of all the province's workers. We should keep the fact in mind, while we consider the two proposed amendments before us today, that this province is unequalled for the range of protection it provides to employees.

The member wants, first of all, to extend the coverage of the Employment Standards Act so these persons will come underneath the heading of domestics or domestic servants should they be covered by more sections of the act than now apply to them.

This is a very broad category of worker. We had better take a careful look at what we mean by the term. It is a term we don't use much these days and I don't think there should be any move in this direction.

According to the regulations of the Employment Standards Act, domestics include maids and butlers, as you would expect, although I would think they are a pretty rare species these days. Also included are chauffeurs and cooks, nannies, mothers' helpers and housekeepers. House couples, in which the female partner performs the duties of the cook and housekeeper and the male acts as chauffeur, butler, and possibly handyman, are also within this category. Also included are laundresses and paid companions for the elderly or the ill. The term "domestic" or

"domestic servant" also includes house cleaners, chars or cleaning ladies. It also includes gardeners, both full-time and part-time. Even baby-sitters are included in the provisions of this act.

We are examining a proposed amendment which would have the government regulate the minimum wages paid to people in all these areas, as well as their hours of work.

The member is also proposing that coverage under the act with respect to these people should be expanded to include the regulation of overtime pay, granting of time off for public holidays and vacations with pay.

Mr. J. Reed: What's wrong with that?

Mr. Hennessy: It was precisely the same humanitarian concerns for all the workers in this province that moved the government to include the people we call domestics under the provisions of the Employment Standards Act of 1974, and all domestics employed by a third party, that is those who work for individual households through an agency, are already covered by all sections of the act.

There are approximately 75,000 people employed, directly, both full and part-time, by private households. They are covered by sections which regulate such vital matters as wage protection, equal pay for equal work, pregnancy leave and notice of termination.

Mr. McClellan: What?

Mr. Hennessy: In other words, it is against the law for someone to tell the cleaning lady there is no money in the pot today and would she mind waiting until next week for the pay to which she is justly entitled. That is entirely as it should be. I'm sure we all agree on that.

According to a survey conducted a couple of years ago—

Mr. M. Davidson: If you didn't have the money in the pot you wouldn't have the maid.

Mr. Hennessy: —by the staff of the Ministry of Labour, something like three-quarters of live-in domestics in this province already receive vacation with pay, even though it is not legislated. This may not be the ideal situation—

Mr. Mackenzie: Let them beg, eh?

Mr. Hennessy: —but the fact is, basically, these people have been fairly well treated and they are protected in vital areas by the act as it stands.

Mr. M. Davidson: That's not true, Mickey.

Mr. Hennessy: With regard to the entry into Canada by live-in domestics from other countries, that is controlled by Employment and Immigration Canada through the issue of non-immigrant employment visas. Employment and immigration approve the employer offer, which covers salary, hours of work required, duties expected, fringe benefits and so forth.

[3:45]

I would like to say that in Thunder Bay there are a lot of people who work for a living at the paper mills or at Canadian Car. We have to realize they only make so much money a week. If we do raise the salaries, in the case of a man who is to some extent dependent on someone taking care of his wife while he is at work, or of a wife who is dependent on someone taking care of her husband, it would make it very difficult for those people on low incomes. There are many people in that category, and this is why I bring this to the attention of the opposition.

An hon. member: Why don't you give assistance to those people through another section of your bill?

Mr. McClellan: That's so crazy you must have written it yourself.

Mr. Van Horne: Mr. Speaker, I have a difficult time following the logic of the speaker who has just presented the government version of how to shoot down private members' hour one more time. I am really disappointed with that presentation and I would hope it doesn't reflect the thinking of all the members opposite.

I personally, and the members of my caucus, as far as I know, are supportive of this bill. I would like to congratulate the member for Hamilton Mountain and suggest at the very beginning that although this bill does not attack all the problems that confront domestics, it certainly is a step in the right direction. For example, I don't see how anyone could have an objection to seeing the hours of work defined, the minimum wage defined, overtime pay, public holidays and vacation with pay. I don't see any reason in the world for these items not applying to domestics.

As an aside, I would note that the member for Hamilton Mountain and all of us perhaps have a little difficult time with the term "domestic servant." There is something that rubs us the wrong way, particularly that word "servant." On occasion, the members and I slip into calling these people "domestics" or "domestic employees." Hopefully, some day along the way we can get away from that word "servant," which I personally find somewhat of an anachronism in 1979.

In our caucus we do have some concern, however. I would point this out to the proposer of the legislation, simply to offer a suggestion that perhaps if this bill ever gets to a committee there be some consideration about standards which were designed basically for industrial situations and perhaps clerical situations, situations really intended to be the concern of the Employment Standards Act, 1974. I have some concern about standards designed for those areas applying to the domestic.

However, it seems that if we want to attack this piecemeal, we could say the same thing if we were to amend the Ontario Human Rights Code. It would seem we could make the same piecemeal attack if we wanted to consider these people in some aspects with the Workmen's Compensation Board. Rather than do that, I perceive that the member for Hamilton Mountain is trying to make his point by proposing this bill and perhaps directing our attention to the broader need beyond it.

Certainly, I don't see any point in repeating the concerns which have led up to this piece of legislation being brought in front of us. We all have the same concerns. I don't think the members of the New Democratic Party have cornered the market on the labour force or on those people in society who are being abused in some way, shape or form by the system. Domestics do talk to members of the Liberal caucus and, I'm sure, also to the Progressive Conservative caucus.

We have had some discussion with some of the people who have expressed concern to the members and we are very much in sympathy with them. Again, I don't have to repeat all the reasons for that.

I would like, however, just to underline one example that has not come out. For the immigrants who have been described by some of the members today, I have particular concern. Before I became a member, I was superintendent with a school board and one of my responsibilities was to chase after truant students. I had considerable concern for those young people who came as children of immigrants into our school system. As soon as they became old enough to work, in the eyes of their parents, which may have been at age 12 or 13, they were plucked out of the school system, before they were legally able to be taken out, and put into many "domestic" working situations.

These young people, particularly the young females—in my community and in the county of Middlesex, they were by and large Portuguese young females—suffered considerable abuse at the hands of their so-called employers and were given very little consideration in any way, shape or form in so far as their future was concerned. I really do have a strong feeling that this type of legislation is needed.

Let me conclude by again commending the member for Hamilton Mountain and, secondly, by reiterating my surprise that the members opposite might choose to find fault with this. I would hope we can at least see this bill passed on to committee for some consideration.

Mr. Mackenzie: Mr. Speaker, I rise today in support of Bill 126 which deals with domestics and proposes that they be given the most elementary protection afforded to workers in Ontario today. That is really all it does. It does not go nearly far enough, but it is a first step.

I am rather amazed at some of the comments I heard from my good friend across the way. I don't know who prepared all the information in his speech, but it is not accurate. The protection and coverage is not there for domestic workers. It is hard to accept the fact that a province as blessed as Ontario has exempted from minimum coverage one of the most vulnerable and yet hard-working groups of people in our society.

How is it that a group among the most easily exploited, most open to abuse—as I said earlier, most vulnerable—is denied the most basic and minimal protection afforded by law in Ontario? This government and all members of this House should hang their heads in shame that we have not ratified or corrected a gross—and I say "gross" in the truest sense of the word—mistake and miscarriage of justice in Ontario.

Domestics working in Ontario are mostly women. The record is really not that good in this province on women's issues. Not only are women in a majority, but in a good percentage of cases they are immigrant women. The language and educational levels cover a broad area and many of them are unsure of themselves and know the meaning of fear.

Some domestics are here on temporary work permits hoping to find a way to eventually become citizens of this country. Others are young people over for a year as nannies, homemakers or housekeepers, in many cases hoping to master the language, to see what this great country of ours is all about and how it works. Some are native-born without office or industrial skills and are trying to make a living as best they can. All, for reasons that are obvious to all but the un-

informed or the supreme redneck among us, are vulnerable in Ontario today.

They have no coverage under the labour laws in Ontario. If they are here on work permits they know they can be deported in a hurry if there is a bad report sent in by one of their employers. They sign—I have it here—a document when they get their permit, those who are coming across from foreign countries, which says they will get $250, $275 a month, plus room and board, a couple of weeks' vacation, a few other minimum standards.

The paper is not worth the powder to blow it to hell. It can't be enforced. They come under the jurisdiction of the province of Ontario and the province doesn't give protection under the Labour Relations Act because they are specifically excluded not only from employment standards but from all four acts including human rights that may deal with the problem of domestics. It is a shameful situation.

They have no avenue of appeal. Like my colleague, I talked to a number of them and we documented the cases. Some of the case sheets make very interesting reading. I was tempted as I stood up here today to start reading off some of the names I went through of some of the prominent Toronto families that are hiring these people—the husband a lawyer, the mother a librarian, and so on. However I decided probably it wasn't the way to approach it.

I'll give you one example that really threw me: A young German girl came over here, probably not in desperate need for the money but on the understanding that she would work a 45-hour week, that she would get two weeks' vacation with pay at the end of the year if she filled in the year, and that she had certain other amenities she could look forward to in the home. Right off the bat she worked an awful lot longer than the 45-hour week.

She put up with it, but halfway through the one-year contract she was told she had to handle all the baby-sitting any hour of the night with the very young baby in the house. She objected that she was already working about a 12-hour day. She was told to leave the house that same day, having completed just a day or two short of seven months, without a cent of pay for the two weeks' vacation she was supposed to get. In some terror, she felt she had done something wrong, was sort of ashamed, and did not want to go back to the agency. Fortunately she had made a Canadian friend who took her in. She spent four days with her before she could get a Lufthansa flight back to Germany. She has gone back with one hell of an impression of this province, let me tell the House.

Not only do they have no avenue of appeal if the hours are lengthened or the days off are denied, or vacation pay is not provided, but other than through legal action they have no recourse even if they are forced to submit to degrading acts. All of these things have happened. They happen all too often in the case of domestics.

While checking the act I was surprised to see the number of exemptions that have been included in the act. I really hadn't realized it until I went through it. It might surprise some members of this House to know of the number of calls I receive, particularly from young lawyers and from druggists, who complain because they are excluded. They weren't working on their own, as used to be the practice in the past. There were a number of other categories as well, but they were working for IGAs or various chain stores and were also denied the coverage that most of us have under employment standards in Ontario. So the whole act desperately needs an overhaul.

But my concern basically today is the domestics. We have put them in the position where they are the closest things to slaves we have had since slavery in this country. Surely no member of this House can justify, on any grounds, the continued denial of the most elementary and basic coverage. Any member of this House and any employer who argues that such minimal coverage should be denied because it would cause a loss of jobs or because they treat their employees with decency, or because they are sure those employed as domestics enjoy the job and are quite satisfied, is in my opinion nothing short of contemptible.

No human being should be denied the simple protection afforded almost every other worker in the province so that some individuals, almost always of financial means far beyond that of the domestic, can profit by what amounts to nothing short of exploitation.

This is not a matter of philosophy and it's not a matter of any basic political position, and it's not a matter of great cost to this government. It is a matter of simple human decency and certainly a matter of the most elementary justice.

[4:00]

I am asking as seriously as I can for all members of this House to support this bill. I think it would be a disgrace to do otherwise. I beg the government and the Minister of Labour to have the decency to see that his colleagues don't block the bill, and to initiate

action that assists in the organizing and informing of domestics of the rights that they will have if they are included under employment standards, and that's not giving them a heck of a lot. I ask this House to proceed with haste to rectify an error that has gone on for far too long in justice in Ontario.

Ms. Bryden: Where is the Minister of Labour?

Mr. M. Davidson: Here is the other half of the blocking team.

Mr. Ramsay: Mr. Speaker, I share the concerns of my colleagues for the fair and just treatment of employees in all sectors in this province. I also share the conviction expressed by my colleague from Fort William that this government has a very fine record in the development of standards to protect employees.

No doubt we have not yet reached Utopia but I do not think that we have to react every time the members across the way accuse us of encouraging exploitation of casual labour and the broad range of people encompassed by the term "domestic servant."

Mr. M. Davidson: Don't be so mush-headed.

Mr. Ramsay: The problems facing domestics are currently under review in the Ministry of Labour. As has been pointed out, the regulations under which the Employment Standards Act is applied already cover all such employees in those areas where it has been judged feasible to extend protection.

As my colleague has pointed out, these include the sections of the act relating to equal pay—

Mr. Foulds: Who made the judgement?

Mr. Ramsay: —for equal work, notice of termination, wage protection and pregnancy leave. These protections represent a very enlightened and fair situation for a large segment of our work force, if you compare other jurisdictions and consider what is really feasible in a situation where you have approximately 275,000 employers with an average of one employee each.

I am convinced that adopting this proposal would create a very difficult situation for large numbers of people. It would mean that many households would no longer be able to afford to hire people to help with the cleaning, the gardening and looking after the elderly and the infirm. Many people would not even be able to afford baby-sitters.

That's fine, you may say. If they can't pay them a fair wage, then they shouldn't try to hire them. I am afraid I couldn't disagree more. We are not talking about a situation where we see the shameful exploitation of large groups of unskilled workers. We are dealing with the myriad of close and often personal relationships which provide employment and means of earning a living for many thousands of people in a very satisfying way.

I am afraid that the effect of this bill would be to destroy many of those relationships. It would curtail many employment opportunities and throw many families into very difficult situations. Depending on the willingness and ability of employers to absorb additional costs, many domestics would lose their jobs or have their hours of work reduced if coverage as proposed in the bill was introduced. Where hours are cut back, the weekly earnings of some domestics might be reduced, if the higher rate of pay does not compensate for fewer hours.

Fewer new job opportunities would be available as employers seek alternative solutions instead of seeking a domestic. I can foresee an increase in demand on our chronic-care facilities coming out of this proposal as well. That would certainly be an unsatisfactory situation for many families who wish to keep their loved ones with them and it would mean an additional burden on the taxpayers of this province.

Covering domestics under the hours of work provisions of the act gives them the right to refuse work beyond eight hours per day and 48 hours per week.

Mr. Foulds: The almighty buck comes first, does it?

Mr. Ramsay: This raises safety concerns, for example, in situations where the domestic has the sole care and responsibility for a child, the aged or the infirm.

I submit that it's unrealistic to require households to maintain accurate payroll records, particularly where working time cannot be defined precisely. Hence, application of hourly-based employment standards, such as minimum wage, overtime pay and premium pay for hours worked on public holidays, becomes a serious problem.

Mr. M. Davidson: Why don't you reconstruct the work?

Mr. Ramsay: This is particularly true for live-in domestics whose place of residence and employment is the same. That includes some 20,000 people in Ontario. The proposal would give rise to other problems as well, I believe. Investigation and enforcement by the employment standards branch would be difficult, because of the hours identification problem.

It would also be made difficult, if not impossible, as disputes between employers and employees tend to be full of emotion, but there is often little concrete evidence on either side. There would be problems gaining access to the employer and his or her home.

The problems facing some domestics are recognized by the government, and the matter is under continuous and careful review by the ministry.

Mr. M. Davidson: Yes, for 35 years.

Mr. Ramsay: Such persons are already well protected in key areas.

Mr. Mackenzie: At 75 or 80 cents an hour in some of the cases.

Mr. Ramsay: The member for Hamilton Mountain is also proposing that we change the Employment Standards Act as it covers notice of termination required. I suppose he feels this would be a small but significant step towards increasing the fairness with which employees are treated in Ontario. I am afraid he is proposing, probably without realizing it, a piecemeal approach to a fairly complex problem.

The Employment Standards Act is a piece of legislation that covers a carefully designed, comprehensive range of protection to employees. It is still one of the best such measures in Canada.

The proposal on termination in Bill 126 only covers one aspect of the multi-faceted provision regarding termination in the act.

Mr. Foulds: That is just copping out.

Mr. M. Davidson: If we have to do it one at a time, that is more than what you are doing at all.

Mr. Ramsay: Termination notice provisions are not part of the government's approach to the handling of layoffs. A review of the broader issue of layoffs is now under way, I understand, and I am informed by officials of the Ministry of Labour that this should be completed shortly.

While there are rough estimates on the number of people laid off in a year, there are no figures indicating how many of those people would not already be protected under section 40(1)a of the Employment Standards Act, or under the provisions of the act covering those who have been part of a mass layoff. There is no means for collecting detailed data on layoffs, so while we cannot be specific, numerically speaking, I am confident that termination notice is essentially not an area of concern among employees in this province.

Causes for termination of employment are much more serious, and by increasing costs this proposed amendment to the act could have just that negative effect. The proposal could cause problems for small businesses which cannot forecast work stoppages two weeks ahead, because of their sensitivity to competitive conditions, loss of contracts and that sort of consideration.

Also, this amendment would undoubtedly cause some difficulty, including disruption of production to businesses which have higher turnover of short-term employees.

Mr. Foulds: Give us an example.

Mr. Ramsay: These include such areas as the accommodation and food services, logging and the mining industry.

I am afraid that this amendment, though well intended, is unreasonable.

Mr. Mackenzie: We have seen rednecks at their worst.

Mr. Makarchuk: The dinosaurs are still alive.

Mr. McGuigan: I rise to support the bill of the member for Hamilton Mountain, and to congratulate him on the work that he has done and the intent and the effort of his bill.

I rise on behalf of my empathy and sympathy with people in bad work situations. I also rise in memory of a lady who spent her life with my family as a domestic.

My mother's mother having died at childbirth, this lady was called in to look after my mother. When my mother married, just prior to the great depression, and the family broke up, there was no spot for this lady, so she came to live with our family. She was a partial mother or second mother to me.

I remember the devotion, love and the care we received from that lady and also that my mother had received, and her brothers and sisters. She has an honoured place, certainly in our family. I suppose you could say she was exploited, but you must remember that those were the days when we were all exploited by the ravages of the depression of the 1930s.

From that standpoint I give my wholehearted support to this bill. I feel rather sorry for members opposite who have the difficult task of reading these speeches that have been prepared in order to defend a rather untenable position. I know that both members, on a personal basis, are very warm and concerned individuals and I extend my sympathy to them.

Mr. Makarchuk: Don't be too generous.

Mr. Foulds: The trouble is, they really believe it, underneath that warm, generous exterior.

Mr. McGuigan: I don't think we need to spend time worrying about all of the points

because some of these have been touched on by other speakers, but I would like to mention the fact that in Ontario and, as a matter of fact, in Canada, we have an offshore labour program to help in our agricultural industry. These workers come in under an agreement among the federal government, the provincial government and the country from which they emanate.

They are given very excellent protection by that agreement. The farmer pays for the air flight both ways. He pays either the minimum wage or the going rate in the area, whichever is the higher and in most cases it is a rate higher than the minimum wage. He also provides proper housing and transportation to and from town for personal matters, visiting doctors and so on. These people are protected by, I think, practically all the legislation that we have in Ontario and in Canada.

Yet we have the picture of the females of these same countries coming to Canada and being denied that same protection. I can't find any justification for it.

I listen to the reasons that are given that it will of course amount to reduced employment. I might say that this is an argument I have heard all my life in the agricultural sector when, as farmers, we tried to organize ourselves into marketing boards. Whenever we approached the processor or the handler of the product we were always told, "that is the end of that product; we will no longer use it, the industry will die." Of course, we know that didn't happen because today we have, I think, 25 marketing boards handling some 40-odd commodities and it is a thriving and alive system.

We also have the argument that it is impossible to control and regulate such a system. I would suggest, Mr. Speaker, that we give more protection to our fish in Ontario than we are willing to give to our domestics because the fish and game laws say that you cannot catch a fish, I think it is eight inches, perhaps varying with the different species.

We don't put a game warden in every boat or on every dock but we put a standard there to tell the fisherman that it is unsportsmanlike, it is unlawful to take and keep fish which fall below that standard.

So, I would make the analogy that when we set some minimum standards for domestic servants we say to a lot of good people who hire these persons, "This is what we expect of you. This is what society expects of you. We are not going to put a policeman in every kitchen, in every garage, in every upstairs, every downstairs; but this is the law and we expect you to obey it." We give this as a protection for those people to fall back upon if some unthinking or unwilling employers choose to ignore it.

[4:15]

I'm not so sure that the proposed amendments to the act are perfect in every way, that they address all of the problems that pertain to domestic help. One that comes to mind would be the question of averaging the hours of work during the day, especially in the case of a live-in employee who might be given time off during the afternoon and be expected to compensate with some time in the evening. I think there is room for some consideration for the special nature of the work, at the same time giving adequate protection to those involved, so the worst fears of members opposite—that is, that it will result in less employment—will not be realized.

Mr. Mackenzie: It's not even worth discussing, the argument is so phony.

Mr. McGuigan: The member is not referring to my argument, is he?

Mr. McClellan: No, no—the Tory argument.

Mr. McGuigan: That's what I thought he meant; he just interrupted my train of thought.

Mr. Mackenzie: I just wanted to underline the obvious, that's all.

Mr. McGuigan: Mr. Speaker, these are old arguments; we've heard them before. We believe the time has now come, either through this vehicle or through one very similar, to address this problem of the perhaps 70,000 people who are estimated to be domestic employees in Ontario and who have very little, if any, protection.

I would like to add the weight of all my moral suasion and whatever few words I have been able to say here this afternoon to persuade government members to reconsider their position and support this bill.

Mr. Bounsall: Mr. Speaker, I know members would be interested in my thoughts when I was a very little boy. As a very little boy, up to age two—

Mr. Riddell: Keep it clean.

Mr. Bounsall: —I was in love with my baby-sitter and named all my stuffed animals and toys after her for the next three- or four-year period. Her name was Eileen, a name very dear to my heart.

I realize that naming my stuffed toys after my baby-sitter did not properly make amends for the low rate of pay she received for baby-sitting someone like me, and I am whole-

heartedly in favour of the bill presented by my colleague.

I haven't been able to hear all of the debate which took place this afternoon, but I heard some of it. I must say I have never heard from the benches opposite such reactionary phrases as I heard in their arguments as to why they couldn't support a bill of this type.

In one of the minister's previous incarnations as Minister of Labour, he will recall that in the estimates I was always concerned about the exclusion of domestics from the Employment Standards Act and the Labour Relations Act.

We had discussions about the rationale of this, some of them not too lengthy, but I think both of us felt one could dig up arguments on both sides. But I felt this exclusion was a carryover from some bygone age and had no relevance to legislation of today in this province.

Speaking of the Labour Relations Act, I don't know who on earth would be interested in organizing domestics. They would be a very difficult group to get together as they are in scattered locations, et cetera. But they should have the basic civil right to be organized should a group of them decide to do so, or should a union decide their situation was so bad that, despite the difficulties, it should organize them.

The same thing applies even more so to these minimum standards we find in the Employment Standards Act. These are minimum standards, most of which are extended by most employers and certainly by employers who are organized.

What we are saying is we should at least give domestics in the province what are very minimal standards. They should have that right. Their required hours of work should be a reasonable number per week; if they are required to work beyond that, like anybody else in the province of Ontario, they should get time and a half for the additional hours worked.

This is a very discriminated-against group of people, many of them immigrants and the overwhelming majority of them women; why should we take the discriminatory line we have always taken with them? If we work them more than 40 hours a week, we should pay them time and a half. There should be a minimum wage for these persons.

The Employment Standards Act in its schedules lays out for farm workers, for example, the amounts which they can have deducted from their wages for room and board. The same kinds of schedules can be applied to domestics so that a reasonable amount for room and board can be deducted from their wages. But that does not mean there should not be a minimum to those wages from which those deductions are made. That is simple justice, and it cries out for redress in the very way this bill proposes to do.

In families in which domestics, live-in or otherwise, are employed, they are most often needed on public holidays and may well be required to work on public holidays; this is particularly true of a live-in person. But they should have the same protections given to them in terms of money, or days off in lieu thereof, for working on a holiday as everyone else in Ontario would get if they were required to work on a holiday. Days in lieu thereof most likely would be the way in which the provision would apply.

There is no reason on earth why we should take this very maligned, overworked and unrepresented group in Ontario and deny them the provisions under these minimum standards for employment in Ontario as pertain specifically to public holidays.

We should guarantee them the minimum standards for vacations in Ontario as set out in the act. Most employers have gone away beyond the minimum established in this act in terms of what their employees receive for vacations. Perhaps the private employers of domestics also do that. But one finds there are some employers in the non-domestic field who hew to the very minimal number of vacation days they are required to give their employees. I am certain there are employers employing domestics who give less than the minimum granted in this act for vacations. There is no reason why domestics in Ontario should not receive two full weeks' vacation as a right. That is all this institutes.

Section 2 of the bill would amend the present one week's notice in writing to an employee—to the domestic, in this case—if the period of employment was less than two years, to replace it with, after three months, which is the same in both cases, two weeks. That is eminently reasonable. If someone has worked more than three months, she should be able to have two weeks' notice in writing. I cannot see any problem with that.

With the Landlord and Tenant Act and Residential Premises Act, we are used to giving a month's notice—it was two—for moving out of an apartment, or for a landlord to ask someone to move. I can't see any reason why—it's not thought to be reasonable by any member of this Legislature—you cannot and should not give two weeks' notice in writing to a domestic if that employment is to be discontinued as long as they have

worked, following the provisions of the act, for over three months. Obviously, I think it should apply after 30 days and not the three months.

I might also say that it's this section of the act which, over the years, I have spoken to in estimates and on private members' bills myself. I think the general provisions for notice, or pay in lieu thereof if you don't give it, to employees in the Employment Standards Act in Ontario is, indeed, quite inadequate.

A domestic in the province of Quebec gives two weeks' notice to an employer after they have been employed for one year. That is the provision, with those increased provisions, and in their case they give four weeks' notice between one and five years, and they give four weeks' notice thereafter. That is much more than is granted under the Employment Standards Act here in Ontario for termination notice. So for any employee in Ontario, notice of termination should be vastly increased.

I would hope and think that this government, some time in its wisdom, would bring in amendments to this section that would reflect what should be the current thinking in Ontario with respect to termination notice. But, certainly, this provision, as it is contained in this private member's bill, is an eminently reasonable one. It's not excessively generous. All we're saying is that between three months and five years there should be two weeks' notice of termination. To me that is eminently reasonable.

I could wind up by saying that I support every clause in this bill wholeheartedly. Domestics should be brought into the mainstream of employment in Ontario in every respect. They should not be discriminated against by not having the right to organize, should they so find themselves in that position. It's not covered by this bill.

The very minimum that we can extend to that very disadvantaged and taken-advantage-of group is the minimum standards as outlined here under the Employment Standards Act with respect to the hours they must work, the minimum wages that they should be guaranteed, that they should receive, the overtime provisions should they be required to work a vast number of hours a week, or over the 44, and certainly they should get proper vacations and public holidays or time off in lieu thereof, none of which they are guaranteed. It's a disgrace in this day and age that we should deny those guarantees to that group of women, largely, and immigrants, largely, who are working with us in Ontario to build this province.

Mr. Foulds: Mr. Speaker, I hadn't intended to speak on the bill—

Mr. Acting Speaker: I should point out that you have three minutes.

Mr. Foulds: I have three minutes? Terrific—but I must say the specious claptrap from the government benches has forced me to rise to my feet in support of my colleague's bill. I have never heard such erroneous, specious arguments.

Let me just go through them as the government presented them. It said: "The bill is unenforceable, so let's not have any legislation at all." That was one argument. Does the government apply that reasoning to the Highway Traffic Act? Does it apply, as my colleague from Sarnia—

Mr. McGuigan: Kent-Elgin.

Mr. Foulds: —Kent-Elgin said, to the Fish and Game Act? There is a whole range of acts that the government passes that it knows that we know will not be enforced every single time, but we trust on the good faith of the people of this province.

[4:30]

What I am saying to the government is we in this caucus believe the people of Ontario are decent human beings and if this Legislature passes a law, the majority of them will obey it. In those cases where it is not obeyed, we have the authority through a piece of legislation to enforce it when one of the domestics makes a complaint under the act. That is the important thing, that domestics who are at present unprotected have the right of appeal, which they simply do not have at the present time.

Secondly, we are asked to appeal to what is called the special relationship between the domestic and the employer. If there is a special relationship, I am sure all kinds of special things can be worked out. But, once again, there is no doubt, as both my Hamilton colleagues have documented time and time again, of the exploitation that occurs. What this bill does is prevent that exploitation and prevent the exploitation of a so-called special relationship. Frankly, I do not like the use of the term "special relationship" because often it is exploited, guilt feelings are laid upon the domestic and there are all kinds of things that are uncivilized in the 20th century that we should not allow to occur.

We are told that people on modest incomes who want to take care of their children or their aged parents through the use of a domestic will not be able to do so because wages will be pushed up too high and they won't be able to afford it. I ask you, Mr. Speaker, if we in this society really think

highly of our children, our aged parents and other infirm people, surely we should be prepared, both as individuals and as a society, to pay for the protection of those people. What is more precious to us, the buck or people about whom we feel deeply? I submit to you that we should pay the price in monetary terms of protecting those about whom we feel deeply.

I just want to conclude by saying that the mark of a civilized society is how its parliament treats the unprotected in that society. This bill tries to go some way towards protecting those who have been unprotected. Frankly, if the government blocks this bill, in my view it will be one of the most disgraceful and uncivilized actions this government has taken.

Mr. Acting Speaker: The time for debating this bill has expired.

INTEREST PAYMENTS

Mr. Rotenberg moved resolution 29:

That in the opinion of this House the government consider requiring the payment of interest to suppliers of goods and services to the government on accounts outstanding longer than 30 days.

Mr. Acting Speaker: Do you wish to reserve any time?

Mr. Rotenberg: I'll see, Mr. Speaker. I'll reserve a few minutes, depending on what other people might have to say.

Mr. Acting Speaker: I think the rule is that you must notify us now whether you wish to reserve any of the time you may have remaining of your 20 minutes.

Mr. Rotenberg: Then I will reserve about five minutes of my time. If I don't use it, then I may withdraw it.

Mr. Acting Speaker: You don't have to tell us how much time, but just whether you wish to reserve it.

Mr. Rotenberg: Thank you, Mr. Speaker.

First, I apologize if the wording of the motion seems a little lengthy in that it says, "in the opinion of this House the government consider," but I couldn't put a straight motion saying the government should do this because that may have been deemed to be a money resolution and may have been deemed to be out of order. I think really what we are concerned with is the principle of the motion, that is, a direction, a request, the feeling of this House expressed to the government that we have to make some changes.

I would also point out that I have drawn up a resolution rather than a bill for several reasons. As I said, I am more interested in the principle of this happening than in the details. If the principle is adopted, the details can be worked out.

Secondly, I think that if we adopt this motion, the government can implement the sense of this motion without legislation. It can do it in its own practices and there would not be a requirement for a bill to implement it.

Thirdly, even if we adopt this resolution, and I hope the House does, there may be certain particular situations that require special circumstances, special conditions, special exemptions. There may be things that, while the government may accept it—and I hope they will—as a general principle there may be one or two instances where they could not pay the interest. Therefore, if we drew legislation, it might make it difficult for the government, whereas if we do it as a resolution, it would be a lot easier for the government to adopt it.

Mr. Speaker, the main purpose of my resolution is not really to get interest to our suppliers on overdue accounts. The main purpose is really not to cost the government extra money.

What I want to do by this resolution is to give the incentive to the various ministries, and hopefully to our agencies, boards and commissions, to pay their bills on time; because if they don't pay the bills on time, there may be a penalty, and I want more than the interest to be paid to have our bills paid on time.

This government, as do all governments, from time to time tends to become inefficient, tends to become a little bit loose around the edges. But I am sure all members will agree that as governments go, this government is doing a pretty good job. Most of our bills are paid on time. Many are paid within a couple of weeks of the bills coming in, and there is no problem.

But—this is where the problem comes in—there are some delays and through no fault of the supplier, no fault of those who supply goods and services to the government. Some bills are delayed, some are lost. Some take as long as six or eight months to be paid. I find this unacceptable.

In the payment of our bills we have not only to be efficient and equitable, but also we must appear to be efficient and equitable. Regardless of the efforts of our government, which are quite good, there is no guarantee at the present time that all suppliers of goods and services will always be paid on time.

This government processes over one million invoices every year. Even if 99 per cent of our bills are paid on time, that still leaves one per cent, some 10,000 invoices which are

not paid on time, which will be overdue, and which can cause some hardship to our suppliers. I feel that these suppliers, those whose bills are overdue, should be compensated for delay which is due to no fault of their own.

It is already the practice in many industries, many private corporations, that they do pay interest on overdue accounts, even if it is not billed to them. I think the government should also set an example.

If it were just the large corporations, the major companies in our province, suppliers to the government, that were stuck for a few months having their bills not paid, I wouldn't be that concerned and I wouldn't be bringing in this resolution today. But in our very complex operation of government, where we purchase everything from computers to paperclips, thousands upon thousands of different items, much of our dealings are done with the small businessmen of this province —and small businessmen all around the province.

The main purpose of this resolution is to ensure our small businessmen will not suffer because of some occasional government inefficiency. We believe the small businessmen are the backbone of our provincial economy, and they should be.

Mr. Haggerty: You would never know it on that side, though.

Mr. Rotenberg: Small businessmen are vehicles for innovation. They are the ones who take the risks. We believe the small businessmen are essential for a free-enterprise system. Because of this feeling, this government has always been more than willing to do everything possible to create the environment which will allow our small businesses to flourish.

As I said, most of our invoices are paid on time, but some are delayed in the system, causing unnecessary hardship to our small businessmen. These delays can cause serious problems for the supplier who is waiting for payment.

Small businessmen are very vulnerable to shortages of working capital. An account receivable which is not liquid is of no assistance to the businessman who has to pay out operating costs in charges, bank charge interest, and so on.

Often, short-term financing is required to cover the period of delay in the payment of the accounts. Today, ever-increasing high interest rates make this very, very difficult. Let me give you a couple of examples of some recent problems which have occurred within our government. I will not be identifying the supplier or the ministry involved.

Here is a case of a contractor who was owed some $28,000 by one of our ministries; a contractor waiting over two months for his payment after it was due; a contractor who had, up until now, a top credit rating—a clean record. He had never been in credit trouble. He was a small businessman, a small contractor.

He had a number of bills owing to some of his suppliers. One, for instance, had an outstanding bill of $7,000 and was ready to take some action. Not only that, but the contractor had to pay all kinds of penalties because he couldn't pay his taxes and his creditors were asking for late-payment charges. He sort of became a victim of the system because a major amount of his business was overdue.

How it got lost in the system isn't important. Fortunately, this matter came to the attention of he Ministry of Industry and Tourism. It wasn't the Ministry of Industry and Tourism the bill was due from, but the supplier got hold of the Ministry of Industry and Tourism and someone in the small business section of that ministry got hold of the ministry where this bill was due and payable and had the file pulled. Within a reasonable time, the matter was looked after but that shouldn't have had to happen.

Another case was a little more complicated. There is some correspondence of which, Mr. Speaker, I'll only read parts so as again not to identify the supplier or the ministry.

Again, a supplier wrote to the Ministry of Industry and Tourism to try and help him with his problem. He wrote as follows:

"My business depends to a large extent on governments and the provincial government in particular. They used to say this was a seasonal business and cash flow is essential to our proficient operation." This is a letter dated May 22.

"Since April 20, we have received nothing and we are currently owed $325,000 of which $161,000 is overdue. My difficulty is that I must have funds to operate. I have long since used up an extra $125,000 bank loan which I arranged when I got wind of the problem. I am now being invoiced by suppliers and federal government departments for overdue interest and penalties. These costs are high."

Here is an interesting little paragraph in this letter: "I am enclosing my cheque to the Treasurer of Ontario for provincial sales tax for the month of April. Most of this is tax invoiced in the sales related to the province

and in all conscience I cannot remit this without being somewhat late. Please ask some questions of the department responsible and let someone know that small business can keep the cost of the supplies down only if we can forecast our expected commercial relations including cash flow."

That was the letter to the Minister of Industry and Tourism which evoked some action. That was sent, as I say, in May for April bills. On June 6, the same person wrote to the Treasurer (Mr. F. S. Miller).

"Sir, my problem quite simply is the province has become a poor payer on its accounts and it hurts me financially. The solution is that like all delinquent accounts you are requested to pay our attached invoice for $4,456 representing interest on overdue unpaid balances. The justification is that I had to borrow additional funds, pay interest to my suppliers and pay penalties and interest to Revenue Canada for late payments.

"I attach your invoice which itemizes the amount due." The invoice is dated with payment dates. "The amounts that were due are assessed at two per cent per month which is our normal charge to industrial customers."

Happily, Mr. Speaker, that letter brought some action. On June 22, the Treasurer replied, saying, "The province currently does not recognize interest on overdue accounts, preferring to be a good corporate customer and pay according to the average business practice. Due to the circumstances of this particular instance, however, the ministry is prepared to pay interest at 12 per cent on the number of days over 30 between your company invoice date and our cheque. I understand that all your billings listed have now been paid." The ministry arranged payment of some $1,200 in interest.

That was a special case but it indicates that the government, when these things are drawn to their attention, will look at these special cases and will pay interest where there are hardships. That particular supplier wrote back a week later saying, "While not totally concurring with your mathematics, we as a reasonable supplier are satisfied with the offer of settlement and will cancel any outstanding balance on the invoices."

These are just two matters that happened this year. Both of them had reasonably happy endings, but many other cases do not. There are many situations which just aren't drawn to the attention of members or the ministry. They are not drawn to the attention of those who can help. Many get lost in the system and the businessmen suffer.

I have looked into these and many other similar situations. I have found delays in payment occur for a variety of reasons and in each case the explanation by the ministry is reasonably logical. There are problems in matching the invoice and the purchase order; problems in getting approval of the invoice; it sometimes takes time to prepare the requisition for payment; and often payment get delayed due to a sudden increase in the volume of work. Mr. Speaker, these reasons may be valid, but the supplier shouldn't have to suffer. I feel where there are delays for whatever reason, the supplier should be compensated.

[4:45]

I have not stated in my resolution what the interest rate should be, but I am sure if the practice is adopted the government will pay a fair rate. Of course, this rate might fluctuate. As will be seen by the example I quoted, the Treasurer did agree to pay 12 per cent recently. Of course, interest should not be paid until the account is overdue more than 30 days, and 30 days does not necessarily start until the account has been invoiced but when all the conditions of payment have been fulfilled.

For example, on progress payments on construction, the bill is not really payable, even if a contract specifies certain dates for payment, unless there is proper architectural certification and so on.

I submit the cost to the government in this will not be significant, especially if this process gives our ministry the incentive to pay faster, but the savings to individual businessmen, especially small businessmen, will be very meaningful. I am talking about savings in aggravation as well as savings in money.

If this process is adopted there will be pressures on our ministries to pay their bills faster and, hopefully, pressures on our outside agencies, boards and commissions as well, because interest payments will come off the ministry's total budget and what they spend on interest will not be available for their approach projects. Equally important, these interest payments will show up in their annual reports. They will be scrutinized by our public accounts committee and they will be out there for all the world to see. We will know which ministries are efficient and doing well and which ministries are inefficient.

In summary then, I propose this resolution to require this government to pay interest on outstanding accounts, not really for the purpose of having interest paid but in most cases to have the accounts paid on time.

The procedure will have these positive effects: Our small businessmen will not have

to tie up much needed capital unnecessarily; the knowledge that interest will have to be paid will result in ever-increasing government efficiency; and, most important, government operations not only will be equitable but will be seen to be equitable.

This government is always trying to improve its relationship with the business sector, particularly the small businessmen, and by approving our payment procedures this government can lead by example, indicating its continuing support for small business. I therefore ask all members to support this resolution.

Mr. Acting Speaker: The honourable member has seven minutes left if he wishes to use them at the end of the debate.

Mr. Rotenberg: Please.

Mr. Acting Speaker: The member for Windsor-Essex.

Mr. Ruston: Essex North, Mr. Speaker, if you don't mind.

Mr. Acting Speaker: I will have to brush up after the recess.

Mr. Ruston: I am sure you had a good summer, Mr. Speaker, so you will get back into the groove, as we call it.

With regard to this resolution, it's rather interesting that a member of the government would bring in a resolution that is in effect condemning the operation of his own government, but we are glad to see it. Maybe that's a new look over there, a new twist—whatever you want to call it. It does seem a little strange, because the operation and the administration of government is the responsibility of the governing party and it's their responsibility to see that their bills are paid on time.

I am sure that many of the members in the House have on many occasions had someone who was doing business with the government come to them with the problem that, through the approvals and so forth from one ministry to another or whatever the case may be, from one level of that ministry to another, the payments are quite late in coming sometimes. On the other hand, when a businessman is late in remitting his provincial retail sales tax he is penalized, and not just once but twice, because if a businessman does not remit his retail sales tax by the required date that businessman is penalized with the five per cent late filing fee and also is denied the four per cent that accrues to the person for the work done in remitting the tax by the government. So they certainly like their money on time.

In the past, I have had people in business call me and tell me that they thought they had mailed it within the three days that they were supposed be allowed and then, of course, the mail isn't always prompt. I know of one particular small businessman who was assessed $175 by the Minister of Revenue or his officials. He was late four days, I believe it was.

We understand that this is government money. It's tax money and the people who pay it expect it to be submitted to the government within a reasonable time. On the other hand, when you do work for the government or supply them with merchandise or material, you, too, would like to have your money on time.

If you take the case of contracts, for instance, I can think of some sewerage contracts now, where you are talking about a contract of a couple of million dollars for one contractor, and completion of the job is spread out probably over a year. Every month the engineer and representatives from the ministry who are supervising it will decide how much they have completed and they will fill out their forms.

I understand that generally the date is set on the 21st of the month; the work completed by then is then processed through the engineer for the company and engineers representing the ministry. They then submit their papers to the ministry. These take, perhaps, a week or 10 days to get processed, and the statements and affidavit signed and so on, and then they are submitted to the ministry for payment.

The problem in these multi-storey buildings in Toronto where governments operate is it seems they have to move them from one floor to another or something, and these contractors are finding that although the usual payment should be made at the end of the following 30-day period—in other words, they have 10 days to fill out their application and then it is submitted and really it should be paid by the end of that 30-day period—many of them find they are not receiving it by the end of that 30-day period.

I was talking to one contractor the other day and his award up until that time was $250,000, a quarter of a million dollars, and his cheque did not come in at the end of the 30-day period. So, of course, he then had to go to the bank and borrow money, and today, at the 14 per cent interest rate, even prime rate, it is a lot of money on $250,000.

I understand that some of them are even using courier service now because of the time involved in getting payment through the mails. And, this isn't always on the out-

side, Mr. Speaker. We found just a couple of weeks ago, on a kind of side issue of this, we sent something to one department and they were four days getting it, and it only had to go one block. I can get mail from Windsor to Toronto in three days. So, actually, the post office is doing a little bit better job than sometimes our mail service here is, in this particular building. It isn't all to be blamed on the post office at all times.

The other thing, of course—and this will be covered by some of the other speakers from our party—having been in small business myself some years ago, in the retail business, I did business with municipalities. I don't believe I did business particularly with the provincial government, but I did with the federal government as they had an experimental farm in the area and they had an open account all the time at the store I was operating. We kept an open account and every month we would total it up and submit it.

But a retail businessman, who does have some problems collecting some of his bills at times, doesn't worry too much about government bills because when he does send them in, he knows that eventually he is going to get the money. I suppose it is something like having money in the bank, but not getting any interest on it.

One is reluctant, I suppose, to say much because one is getting the government's business and eventually will get paid as long as everything is in order. So it was one of the accounts, I suppose, I didn't worry about so much. I felt it was my job to collect the ones from people who seemed to want to move away or something, or would give a cheque that bounced, and one spent the next six months hunting for him and sometimes never did find him. I still have a few of those rubber cheques in my drawer, left from my business. They were never cashed because they were no good. You get them, I guess, once in a while. But at least with the government we knew that we would get our cheque. At least it was going to be there and we would have it, although we had to wait.

I think you will find many of the relatively small businesses doing business with the government are reluctant to complain. After all, they need the business to survive, and I am sure most everybody likes to get a bit of government business, anyway, and they are reluctant to make any major complaint but it can count up to an awful lot of money. If the mover of this resolution figured in the contracts this government handles over the period of a year, and if he were to add up how many of them were late in being paid over the past year, I would not want to guess what the interest might be that he is asking the Treasurer to pay with this resolution. But that's fine, because it is the government's responsibility to see that it does its book work properly and that it pays its bills on time. The government should see that it does not have to be paying this interest; it should see that its process of paying is brought up to date and that it pays the bills on time.

That is really part of administration, and the buck passes no place else but to the minister and his officials. They can't just say, "That guy didn't do the job right." The government's responsibility is to see that he does it right. That is why it is the government's responsibility to see that its book work is done on time and that its bills are paid on time. That is all I have to say right now, Mr. Speaker.

Mr. Makarchuk: On initial examination Mr. Speaker, one would have a tendency to try to support the resolution for the simple reason that the small businessman in particular is the one who has to bear the brunt of delayed payment of bills. He generally does not have a great deal of capital to play with, and the capital he has is generally borrowed, which at today's rates becomes rather expensive.

Having a good cash flow and on time, or the money appearing from your customers within 30 days, is a very good thing. It makes your mornings better, particularly when the mailman comes in. I speak from some experience when I ran a few car rental agencies up north and we used to rent to the government. It was always nice to get their cheques, even though they came about three or four months later.

But, having said that, one has to look at what this resolution is all about. What it really says—and it is introduced by a government member—is that the government is inefficient, it's sloppy and it can't manage its own affairs. In order to bail themselves out, what they plan to do is to go to the taxpayers of Ontario and ask them to provide some extra money to pacify the irritated businessmen out there: "We are damn sloppy ourselves and, therefore, this is the way we want to sort of redeem ourselves in your eyes."

It is strange that we get this sudden concern for the businessmen; I think it is merited and should be there. But when it comes to delivering money on time to children's aid societies, municipalities and so on, we find there is a great difficulty; budgets keep

hanging on and on, and they never get their money or, if they do, it is somewhere past the year's end.

It really is a problem because, as I said earlier, the fact is that the taxpayer is called upon to bail out what is essentially a government responsibility. When we have ministers who are in charge of departments, who are supposed to be responsible ministers, who are supposed to know what is going on, one wonders what in the world are they doing. Surely, when a ministry enters into a transaction with some businessmen or some supplier or whatever it is, it would undertake to pay them. It seems to be a common practice in this land. It is not an unusual situation. It is not something that is new on the scene. It is something that has been done for many years. There is absolutely no reason why the government cannot act in exactly the same manner.

I have had some experience myself, particularly on the municipal scene as chairman of various committees. We managed to pay our bills. The invoices came in, and we made it a point to go through the invoices, sign them and send them down to the treasury department, where they punched them into the computer and the cheques would go out to the people. It is not that difficult. It's not that kind of a problem. Why can't the government do the same thing?

You have 30 days after you receive the invoice to pay the bill, that, my friends, is a long enough time. That is one-twelfth of the year. That is long enough to be able to send out a cheque to the people who invoiced you. If it can be done at the municipal level and at other levels, it seems to me it could be done at this level.

[5:00]

One of my personal experiences is that my wife has to bill OHIP, and she has accounts going back to last May which seem never to get paid. If a correction is sent in on the account, or if they are informed they have only paid her 70 per cent instead of 90 per cent of whatever it is, what they do is correct the first one and send the remainder back. Then you have to send in another reminder so they will do the next one and so on.

What it reflects is just the inefficiency and at times just plain damned stupidity. Somewhere within that system nobody is really seeing to it that the system you set up operates properly. I place the blame for that on the ministers. There has to be some responsibility for how this government operates. We have ministers and they should take that responsibility to ensure that people get paid.

The member for Wilson Heights used as an example the gentleman who was waiting for a delayed payment of $28,000. In a case like that the extra interest isn't going to bail him out. The point is that he needed the money right there and then. If you send him $28,000 some time later plus interest—if you have the interest—that still isn't going to solve his problems.

We also have to recognize that while the member for Wilson Heights says if we put this into effect this is going to inspire the ministries to pay their bills on time, if the ministries have the capability to pay the bills under some inspiration then why can't they pay the bills without the inspiration, just on the basis of plain, ordinary responsibility?

Mr. Eakins: The minister will take care of it.

Mr. Makarchuk: Surely the answer to all these problems is not more of the taxpayers' money or more red tape. Is the government going to set up another bureaucracy to sit there with their little keypunch computers trying to figure out that this bill is three days overdue so we will give him interest for three days out of 365 days? What interest rate will they use, 13 or 14 per cent, whatever it is, to be tacked on?

Mr. Wildman: Joe Clark says 15 per cent.

Mr. Makarchuk: Is this the way the government is going to operate? That, in effect, is how it will have to look at each individual bill from now on. Someone will have to sit there and figure out what amount of interest will be added to the bill. This is another level of bureaucracy. More people will have to be hired to do this work.

The resolution speaks to the fact that the government itself is the culprit in this situation, that the ministries particularly are not doing their job, and that somewhere within that situation we have to inspire them to make sure the bills are paid.

As mentioned earlier, I know that on many occasions some supplier or contractor doesn't get paid. He will come to me and I will phone somebody at the ministry and the bill gets paid. If I can do it and the bill gets paid, is there any reason this cannot be done without having a member phoning or intervening? Obviously there is nothing wrong; it's just that somehow in the shuffle of papers, the pile of debris that crosses some people's desks, the system isn't operating. The government becomes sloppy, irresponsible and allows this to continue.

I would say to members that this resolution really does not merit support. It doesn't deal with the problem; it is not going to

provide the small businessman with the money he needs immediately in order to carry on his business. It may provide him with the money eventually, but if he is hard-pressed and the bank is demanding repayment, or the finance company is ready to repossess his fleet of trucks because he hasn't got this month's payment, that extra interest he will receive six months later isn't going to help him one damned bit. The money has to be there on time. Most of the people concerned work on the basis that they performed the service, they supplied the goods, and therefore they expect to get paid.

Why could the government not adopt that rather simple philosophy of paying bills on time without having to resort to some kind of bribery at the expense of the taxpayer in order to inspire the ministers to pay the bills on time? I think that is the most convoluted way of dealing with a problem that I have ever heard of in this House, and I have heard some fairly convoluted suggestions and ideas in this place.

Mr. Rotenberg: You're an expert on those.

Mr. Makarchuk: Therefore, Mr. Speaker, there is no way we can really support this resolution. It is really just a way to try to bail out some of the sloppiness, the irresponsibility, the plain damed stupidity that exists in some of the government's ranks.

What the government should do is deal with the problem and not try to paste it over with extra dollars belonging to the taxpayers.

Hon. Mr. Wiseman: Mr. Speaker, I am pleased to speak to this resolution regarding government payment of accounts within 30 days. I think I can speak on this with a little bit of authority, having been a businessman back in Lanark for some 30 years. Even though I have been here for eight years, I, like many members here, still have sons running a family business, and from time to time they still count on dad to give them a little bit of guidance on the weekends, the evenings, or whenever.

I would like to go over some concerns I have, and just set the Legislature straight, as they affect Government Services. For the purchases of goods such as office equipment or stationery, where the goods are delivered promptly, the quantities are in place and proper, and they meet the specifications as laid out in the tender call, my experience and that of the ministry is that these are paid within a 30-day time frame right now.

However, there are a couple of areas where, in my estimation, we do have a bit of a problem. One area is where there is an escalation clause in a lease. I should say that leases, once they are agreed upon, are paid automatically every month. But at the end of the year we take into consideration—and it's laid out in the lease when it's originally signed—that certain things such as tax increases, increases in fuel costs and a few other areas will be looked at, provided they submit their vouchers at the end of that year. In the meantime they continue to get the rent that was agreed upon in the first year, and they don't receive the difference until we send someone out to discuss with the landlord the fact that they're adding more items than we had agreed upon in the original lease.

The second area that gives me some concern is where we have construction and the contractor submits a bill for progress payments or for final payment, and our inspectors look it over and feel the invoice contains more than the work that has been completed. I should say that on all contracts like that, as some members may recall, we have to hold back 15 per cent for 37 days—I understand it's the law—in case there is a lien against that property. Then we have 15 days after that time, if there are no complaints, if no liens are registered, in which to pay that bill.

Mr. Lawlor: Did the mover of the resolution take that into account? It's too bad he's not here.

Hon. Mr. Wiseman: There isn't a person in the Legislature or any taxpaper in the province who would want us, or me as a minister, to pay accounts that weren't properly vouchered or where the work wasn't properly done.

Mr. Haggerty: Even that 10 per cent holdback can cause difficulties.

Hon. Mr. Wiseman: I would like to say here that I have a solution for that.

Mr. Haggerty: How much is it going to cost?

Hon. Mr. Wiseman: You're throwing me off here, fellows.

Mr. Hodgson: Don't take any notice. Just keep going.

Hon. Mr. Wiseman: I'd like to address the member across from me who just spoke. He mentioned that we haven't been very good at paying our accounts. I would say that the Ministry of Government Services, in the last two or three years, has greatly improved the number of accounts that have been processed within that 30-day time frame. I should say, for the record, that private enterprise at the present time is taking about 55 days in which to pay its bills after it receives the invoice.

If we went the route that my colleague is suggesting, a solution is that I feel we could meet the 30 days, if it was 30 days after receipt of a valid invoice. That would mean that after our inspectors checked to make sure, if the case was a routine one and we felt that the invoice was valid, then we could pay that within the 30 days. Where there is a difference of opinion on the amount of work that's been done, or where there's a difference of opinion on what should be added into the escalation clause, I feel this would run over the 30 days, and we shouldn't be held to pay interest on something like that.

I don't think the people, or you as members, would want us to pay until we were convinced ourselves that the invoice was valid. So instead of being just on receipt of the invoice, I would say it should be on the receipt of a valid invoice.

In closing, I would say that my ministry will do all we can to process claims as fast as we can, and I give you a commitment that we will endeavour to do this. I would also like to say that I realize businessmen today have to deal with larger inventories and more credit at the interest rate as mentioned by the member for Essex North. I know this makes it very difficult for them. Again, we'll do all we can within my ministry to try to pay as many bills as we can within the 30-day limit, bearing in mind that you wouldn't want us to pay any of those invoices that weren't valid, until we were positive of that.

Mr. Eakins: Mr. Speaker, I rise to speak very briefly and to speak in support of the member's resolution. I think it's very timely. I believe that the approval of this resolution should go a long way to improving the efficiency of government operations and the ministry in particular.

I want to congratulate, if I may, the honourable member on his appointment as the Minister of Government Services. The member for Quinte (Mr. O'Neil) and myself feel that, being from eastern Ontario, you are going to be more than fair and hard-nosed on behalf of the small business sector in Ontario. We feel that being from this big part of Ontario is going to give you a great advantage.

Mr. Samis: He'll probably threaten them—

Mr. Eakins: I'd like to say, in supporting this resolution, that many of the businesses which could be affected and supportive in this are in the small business sector, because 50 per cent of all working Canadians are employed in the small business sector. They are the people, no doubt, about whom we're speaking today. In fact, it is my feeling that more of the small business sector should be sharing in government contracts and subcontracting.

Unfortunately, at this time, it's impossible in the way government takes a look at small business, to determine the number of small business people who are receiving their fair share of government contracts. But we feel that this is one area in which we should be encouraging the small business sector to take advantage of the opportunity of supplying goods and services to the Ministry of Government Services. This can certainly increase employment. I think the approval of this resolution is one way in which we can encourage more of the small business people to participate.

I believe that government should be setting an example of good business practice by paying on time. It would provide an incentive to improve the payment patterns of government. Late payments can create financing problems for business and prove adverse to their credit ratings. I know other members have spoken of this. I would also hope this approval would serve to protect the small businessmen, and many who probably would not want to complain about having trouble getting the provincial government to pay its bills on time, for fear that in the future, they would lose whatever business they do with government.

According to an organization representing small businesses in Ontario, there have been several cases—and I have had several in my own riding this fall—where small businesses have had difficulty getting the government to pay its bills. As a result of this, they have inserted in their October newsletter a question on whether or not governments should be charged an interest penalty for lateness. Unfortunately, the results of that survey were not available to us in time for this debate, but I feel the answer would be obvious to that.

Mr. Wildman: Don't prejudge it.

Mr. Eakins: I see no reason why the government, in carrying on business with the private sector, should not follow the rules of good corporate behaviour like all other companies.

Mr. Samis: Mr. Speaker, I rise to speak on this resolution and I must say I find myself in support of the general principle. Obviously there is room in this caucus for differences of opinion on resolutions like this, and my good friend from Brantford, and I, frequently have these. This debate gives us the opportunity to exercise those differences.

Mr. Wildman: Something as innocuous as this.

Mr. Samis: As my colleague from Algoma says, this is a pretty innocuous resolution in terms of all the problems going on around us, facing Canada and Ontario. If you think about their comparative urgency and priority, then I have to agree with my good friend from Algoma that this is a pretty innocuous resolution.

For example, when the member spoke on behalf of it, he talked about the problems and the needs of small business; something with which we can sympathize, especially when it comes to such a fundamental thing as getting paid on time, and especially by a Tory government. But I noticed he didn't really talk about what I think are the real problems facing small business and many other people in society today, the cost of money—the interest rates people have to pay today.

I notice the Toronto Star this afternoon has a little summary of how they have gone up. If you look back, it's almost unbelievable that on January 1, 1978, the Bank of Canada rate was only 7.5 per cent. We have gone from 7.5 to eight per cent, 8.5, nine, 9.5, 10¼, 10¾, 11¼, 11¾, 12¼. Now we are at the astronomical, exorbitant rate of 13 per cent.

Mr. Haggerty: Three increases since the Tories came to power in Ottawa.

Mr. Samis: Surely, if there is one thing that hurts small business, it is the cost of money in society, the cost of borrowing, much more so than whether or not they are getting paid on time.

Mr. Wildman: That Jean Chretien with a Newfy accent.

Mr. Samis: As we know, and as any economist will tell us, interest rates of this astronomical a level have only one effect on the economy—they slow it down, retard growth, retard expansion, undermine consumer confidence. Who is one of the first victims of these high interest rates in terms of that economic slowdown and the undermining of consumer confidence? It's small business. But I don't hear much mention of that in this resolution or in the speech made by the member.

We all know interest rates severely affect small business. We all know the banks aren't hurt. We all know high finance isn't hurt. It's small business that is hit.

Another thing to which I think the member should have given more consideration: We agree with getting people paid on time, especially small business; but he didn't address himself to the question of, how much competition there is in the marketplace for small business in the first place. How free is small business to exist, to grow and compete, when it has to compete with multinationals and monopolies, oligopolies and cartels, especially in the fields of oil, automobiles, computers, sugar? You name it in many of our key sectors.

Mr. T. P. Reid: Your monopoly would be the government. It would run everything.

Mr. Samis: Surely the member should have addressed himself to the need for a strong competition bill, so that we would have real free enterprise, which would give small business a real opportunity to compete and get its fair share of the marketplace.

Mr. Rotenberg: You bring it in and I'll support it.

Mr. Wildman: What will John Crosbie say?

Mr. Samis: We don't hear any mention of it, and his friends in Ottawa sure won't talk about it. In fact, in the next four years we will probably never hear about it from his friends in Ottawa.

It is nice to be paid and it is nice to be paid on time, but surely there is a greater priority and a greater need to ensure that small business has a meaningful role and a meaningful place in the marketplace. If they don't have that, what's the sense in dealing with something like this? In the absence of a strong, effective and meaningful competition bill, what value does a bill like this really have?

I would tell the member I could support the bill and its principle, especially when we are talking about businesses dealing with government, as long as the taxpayer has the full assurance he is paying the interest beyond the 30 days when that business is a result of open, free public tendering and not the results of any nice, sweet, cozy patronage deal or some obviously blatant pork-barrelling by this government. My good friend from Brantford could tell us all about that.

The principle of the bill is one, as I say, that is acceptable, but it doesn't deal with a variety of other problems. This government should give the same attention to small business as it gives to some of its other friends in society.

Mr. T. P. Reid: Is that a socialist talking, somebody who doesn't believe in profits at all?

Mr. Samis: When we have a government that can find $40 million to give away to a multinational company like Ford, when they

can give away 100 million bucks to the pulp and paper companies of this province, some of whom are represented by Abitibi, Domtar, Argus Corporation and some of the biggest corporations in the world—

Mr. Wildman: Reed.

Mr. Warner: Corporate Wintario, only they don't have to buy a ticket.

Mr. Samis: —when they can find the money to give away $200 million to the manufacturers of this province, I could support this bill with far greater ease and enthusiasm if I knew that small business was receiving at least part of the consideration that big business gets from this government.

In the absence of such considerations, I would suggest this bill is pretty innocuous and insubstantial.

Mr. Hennessy: I am pleased to rise in support of this resolution. The resolution being spoken to today highlights the importance of small business to our economy.

The Progressive Conservative government of Ontario believes that continued prosperity of the small businessman is essential to both the economic and social wellbeing of the province. There are many small businesses in Ontario. According to Statistics Canada, in 1974 there were 226,306 businesses in Ontario, of which 95 per cent fell into the small business classification.

A prosperous and expanding small business sector is an excellent vehicle for job creation. In fact, in the past small business has created more new jobs than big business. The only real cure for unemployment is a vigorous and expanding business in the manufacturing sector. Small business creates jobs at lower cost. Due to the nature of the undertaking, small businesses are not usually capital-intensive. New jobs are created at a lower cost than in large industry, which may require a heavy investment in capital to create new jobs.

Mr. Wildman: How about the resolution?

Mr. Hennessy: In order to increase productivity and compete in international markets, we need innovation and research. Small businesses give the opportunity to creative and ambitious people to develop management ability, new products and processes. Small businesses can assist in the elimination of regional disparity.

The establishment of a successful small business is usually not dependent on the existence of a large labour force in the area. With the capability to establish almost anywhere, these businesses can distribute jobs throughout the province. Small businesses are predominantly Canadian-owned, and we should encourage their growth since profits and research and development stay in Canadian hands and Canadians are employed.

Mr. Eakins: He has just read the throne speech.

Mr. Hennessy: For all these reasons, government should continue to make an effort to give contracts to small businesses.

A study prepared by the federal government for the year 1976-77 shows that 71 per cent of the number of contracts awarded went to small business. We should do at least as well. A steady cash flow is essential to certain types of business in order to meet payments and wage bills.

For the year ending March 31, 1979, the then Minister of Government Services (Mr. Henderson) awarded 48 contracts for capital projects between $10,000 and $50,000. In the same period 326 contracts for renovation, alteration and repairs were awarded for projects between $10,000 to $50,000. These contracting businesses usually employ many people. If the government doesn't make its payments on time, not only will the contractor suffer but he would not be able to meet his wage scales or pay his suppliers.

Many people could be affected by slow payment, so it is important that not just the interest is paid on overdue accounts but that the payment procedure itself is speeded up and made as efficient as possible. In this way we could improve the customer service aspects of the government.

In the municipality of Thunder Bay, if you don't pay your taxes on time you are charged a percentage because you are overdue. I think for your telephone bill, your light bill, or if you deal at Hudson's Bay or Eaton's, whatever firm it may be, even the small grocery store, you are still taxed 1.5 per cent or one per cent for each month the bill is overdue.

I don't think the government should be any exception. There are many small businesses waiting to get paid and I have had many calls in my office with regard to people waiting for a cheque to come from the government. We wait for our expense cheque quite a long time too, if members want to be honest about it. I think if these could be speeded up in order that the people could be paid on time, they wouldn't have to go to the bank to borrow money, and be overloaded in regard to extra expenditures.

I think the government should be the same as any taxpayer and pay their bills on time. It should not keep people waiting a lengthy time and have them complaining to the

members that their bill is not being paid on time.

I think it is an excellent bill and I will support it.

Mr. T. P. Reid: Mr. Speaker, I rise in support of the resolution—for the benefit of my socialist friends, it is a resolution and not a bill.

Mr. Wildman: Don't you have to pay resolutions or just pay bills?

Mr. T. P. Reid: This is a matter that has come before the government on other occasions. If I may be parochial, Mr. Speaker—I know you will allow this comment since you come from the same area—the associated chambers of northwestern Ontario have for years called upon the government to speed up the payments of bills; if not they say an interest payment should be made to those people who do not receive their remittances within a reasonable length of time.

The example that comes to my mind is the case of particularly small trucking firms. In some cases an individual proprietor may have one truck; he may have two; he may have one piece of equipment; but essentially he is a very small businessman with very heavy payments to make on the equipment he is renting. There is no doubt that in the north particularly, but in the south as well, the largest customer happens to be in most cases, the government.

There is a constraint on an individual when he is doing business with the government that if he complains too loudly or too often or to the wrong people when the job comes up again, that person will be cut off because he has ruffled a few feathers. He has provided a little publicity on a problem that is really entangled in the red tape of government.

If we take an example within the Ministry of Natural Resources, which does a lot of hiring of vehicles and equipment in northern Ontario, it is frightening, the kind of red tape those bills have to go through, let alone the individuals, before they are paid.

A bill goes to a local district office in Atikokan or Ignace where the work is done, it is supposedly checked and goes all through the rigmarole in that district office. It is then sent to Thunder Bay where it is again checked; supposedly 12 civil servants will look at it and put their stamp of approval on it. Then it is sent to Toronto where again another cluster of civil servants—I am sure there is a building here somewhere in this complex where these people do nothing but mutilate, mangle, and hold up the payment of legitimate compensation to people who have done work or provided services to the government. In those cases, this has taken up to three, and four and five months to get a bill paid.

[5:30]

We have already heard about the problems associated with small business: the cash-flow problems, the working capital problems, the fact that the prime rate at the banks now is 13½ or 13¾ per cent. That, of course, doesn't have anything to do with the finance companies, which seem to have their hands in a lot of the equipment business and in some cases are charging 20, 25 or 28 per cent for loans; so, when these payments are delayed, it works a great hardship on the people involved.

If there are these holdups, for whatever reason—good, bad or otherwise, bureaucratic or otherwise—the individual or company so affected should be entitled to a reasonable return for the time that money is in the coffers of the province of Ontario and not in the business assets and revenues of that particular business.

My friend from Essex North has already touched on the fact that if you are dealing with retail sales tax and for any reason you are late—and in many cases the Ontario government won't accept the slowness of the mail if you are late—not only are you assessed a penalty, but you also lost the small portion you receive from the grateful Conservative government for collecting the money and remitting it to the government. I would say there's a quid pro quo here: If the government can use its monopoly powers and the force it has as the legally constituted body to enforce this kind of will and impose this kind of penalty on individuals or companies, then obviously the same should be fair in the other direction. Therefore, the individual should be entitled to a fair return while his money is being held up by government incompetence and government bureaucracy.

I might add, of course, that if we had a different government here, we wouldn't have these problems of waiting more than 30 days. If we have a Liberal government over there, which we will have shortly, we won't have to worry about this problem, because we will sweep with a new broom. We will sweep out the cobwebs and we will have the government operate on the level it should.

The problem is not just the money involved, although that is obviously very important to someone who is running a small operation or any size of operation—the cash flow, the requirement to go to the bank or the finance companies or whatever. Part of

the problem is the malaise in our political system today where we have a large, bureaucratic, distant government and an individual trying to find his way through the morass, trying to find somebody with some humanness, some sensitivity, to deal with his problem. When that doesn't happen, we get a complete denial of individual responsibility, and I am sure the minister in charge of social development policy would agree with me that one of the ills and part of the malaise of our society today is that people will not accept individual responsibility.

When they deal with their government, which they have duly elected and put there, and they have to go through this kind of problem and this hassle and pay this monetary penalty in dealing with their own government, it's no wonder that a lot of people wonder about our democratic institutions but particularly about this government.

Mr. Rotenberg: We're an awful lot better than your friends in Ottawa used to be.

Mr. Epp: Call your kissing cousins in Ottawa.

Mr. T. P. Reid: Mr. Speaker, after the display that's been put on by Joe Chins and his company of incompetents in Ottawa, I would put as much distance between them and myself as I possibly could. Obviously what the Premier in his play acting is trying to do by pretending to disagree with Clark and Lougheed and all those nice Conservative friends who are as monolithic in their approach as the socialists are wherever you find them in the world.

Mr. Peterson: Both diminishing in numbers.

Mr. Warner: Terrible, disparaging remark. You should be ashamed of yourself.

Mr. T. P. Reid: It's interesting that during the election when the Premier was going around with Mr. Clark, the Premier's job was to warm up the audience. You can imagine what a difficult chore that was when they knew who the next speaker was going to be. The Premier's job was to warm up the audience, now he is finding Mr. Clark is going to raise oil prices $5 and $6 a barrel,—

Mr. Speaker: That has nothing at all to do with the resolution.

Mr. T. P. Reid: —and Mr. Clark is going to cool off the audiences in more ways than one.

Mr. Speaker, being the gentleman I am, I know my colleague from Lakeshore wants to ramble through some of his philosophical permutations, so I would say in closing, sir, it is irony of the greatest kind that a member of the Conservative government, who have ruled this province for 36 years, should be bringing in a resolution that is only fair and just. As a result of 36 years of Tory mismanagement and incompetence, they can't even pay their bills on time.

They are trying to take credit for righting a wrong that should have been rectified long ago, and for which many people have called. They stand up there and take the credit. It is like throwing somebody in the swimming pool, and as they are going down for the third time rescuing them and saying, "My God, I saved your life." I suppose my friend from Wilson Heights is following the lead of the leader of his party in doing that. The Tories in this province have thrown us in the lake. Now they are trying to get political credit for saving us.

Mr. J. Johnson: Mr. Speaker, I rise in support of this resolution which has been presented by the member for Wilson Heights. Regardless of what the previous speaker mentioned about the inability, or the lack of interest in the government in paying their bills on time, I think he cashes his cheque every month when it is due and payable, and I don't think he has ever requested interest on the outstanding debt.

Mr. Eakins: Mickey says the expense sheet always comes late.

Mr. J. Johnson: I support the concept that the government should pay interest if they are slow in paying their bills. I also think the interest should be in the same ratio as the interest they would charge if a delinquent account was owed to them, including possibly even a penalty such as mentioned in sales tax. What is fair for one should be fair for the other.

Some of the people out there have the feeling the government is constantly trying to take money from them in the form of penalties and interest on overdue accounts, so if it worked in reverse, maybe there would be a better feeling on both sides.

I think it is commendable that we have a private member who would introduce this resolution. The members across the floor seem to feel the government should have introduced it a long time ago. They have had two or three years of private members' bills and resolutions, and any one of them could have chosen this as their resolution; but it is easier to criticize than to do something constructive.

Interjections.

Mr. J. Johnson: I think the member on the left would like to join in this debate, so I will pass.

Mr. Speaker: Does any other member wish to participate?

The member for Wilson Heights can use whatever time he wishes.

Mr. Rotenberg: Thank you, Mr. Speaker.

I would like to thank the members of the Liberal Party for supporting this resolution, and I think I also want to thank the member for Cornwall. I didn't agree with what he said, but I think he said he was going to support it. For that I do thank him and any of his colleagues who might think this is a good idea.

Mr. Peterson: The most consequential resolution ever to face this House.

Mr. Rotenberg: The member for Essex North seemed a little surprised this kind of resolution would come from this side of the House. He seemed to think I was condemning the government. Far from it.

Mr. T. P. Reid: Well, you aren't?

Mr. Rotenberg: I am certainly not condemning the government. I have indicated, and I will do so again, the government is doing a very good job. I'm simply saying, Mr. Speaker, that any government, as any business, which is doing a good job can always be a little bit better and certainly there is room—

Mr. Makarchuk: You guys are sloppy and irresponsible.

Mr. Rotenberg: —for greater efficiency in government and the best operation could always be improved. This government does welcome suggestions for improvement wherever they come from and they certainly welcome suggestions from the back-bench members on this side of the House.

At least when resolutions come from this side of the House to improve the government they are resolutions of sincerity and not simply resolutions taking cheap political shots. Obviously, most good ideas come from this side of the House anyway and not from the kinds of things that come from across the floor.

Mr. Speaker, I find the member for Brantford somewhat amusing in that no matter what comes from this side of the House he thinks he has to dump on the government. He says that I am condemning the government for being sloppy and stupid and inefficient. Those are his words, certainly not mine.

Every government, as with every business, every individual even every labour union, every one of them from time to time has inefficiencies that do creep in. Every one of them from time to time has trouble paying bills on time. I am sure every member of this House from time to time has not paid his bill on time and has had to pay interest.

Mr. Warner: Speak for yourself.

Mr. Rotenberg: The point is, most of the government's bills are paid on time but some are not and this is why I feel, and some of the members of the government support me in this idea, that we should institute the interest charge.

I am amused that at least the member for Brantford can't accept an idea from this side of the House no matter how good it is and this certainly is a good idea.

Mr. Makarchuk: Yeah, with the taxpayers' money.

Mr. Rotenberg: Even when the good ideas come from over here they have to criticize. I guess that's their job and that's why they are going to be there for a long time because they criticize and can't come up with some constructive suggestions.

Mr. Eakins: Why did you introduce that resolution anyway?

Mr. Rotenberg: I was amused, also, at the member for Rainy River, the only Liberal-Labour member in the House, repeating his usual pipedream about when they come over to this side of the House. It is a pipedream but he indicated that his new broom if, as and when they ever get one, in the old cliché, will sweep clean. That may be so, but it is the old broom that knows where the corners are. The old broom is used to sweeping and it is the old broom that can do a much better job because we have done it before.

An hon. member: On second thoughts we might need a shovel.

Ms. Gigantes: When we become the government we'll do it for sure.

Mr. Rotenberg: You will be there for a long time.

Mr. T. P. Reid: Old and tired.

Mr. Rotenberg: I repeat, as I said at the beginning, I brought this resolution not to condemn anyone but simply to say that this government, which is doing a very good job in managing the affairs of this province, could always do a little better—

Mr. Eakins: Why waste our time?

Mr. Rotenberg: —and I have made a suggestion to the government of how it can be done a little better. The Minister of Government Services has given his qualified acceptance; hopefully it will be brought into practice by the government, by the ministry, by the various agencies, boards and com-

missions. I have indicated before that the purpose of the resolution is to highlight the problem and if interest charges are imposed—

Mr. T. P. Reid: And there is the problem.

Mr. Rotenberg: There are always problems. Even in the most efficient organization. There are certainly a lot of problems in your caucus.

As I have indicated, Mr. Speaker, the main purpose of this is not so much to have the interest charges paid but to draw the attention of the problem where it occurs to the various government ministries, the various agencies, boards and commissions so they will tighten up their operations—and even the best operation can use a little tightening up—and they will, wherever possible, get their bills paid on time. This will, of course, be a great help to business in this province especially the small businessmen. I repeat, I would ask the members of the House to endorse the resolution.

[5:45]

EMPLOYMENT STANDARDS AMENDMENT ACT

The following members having objected by rising, a vote was not taken on Bill 126:

Ashe, Baetz, Belanger, Bernier, Birch, Brunelle, Cureatz, Drea, Eaton, Elgie, Gregory, Grossman, Henderson, Hennessy, Johnson, J., Kerr, Lane, Maeck, McCaffrey, McNeil, Newman, W., Norton, Parrott, Ramsay, Rotenberg, Rowe, Scrivener, Smith, G. E., Stphenson, Sterling, Taylor, G., Villeneuve, Watson, Welch, Wells, Wiseman—36.

INTEREST RATES

Mr. Speaker: Mr. Rotenberg has moved resolution 29.

Those in favour please say "aye."
Those opposed please say "nay."
In my opinion the ayes have it.
Resolution concurred in.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Pursuant to standing order 13, I wish to indicate to the House the business for tomorrow and next week.

Tomorrow, the estimates of the Ministry of Intergovernmental Affairs will be considered. On Monday, October 15, the estimates of the Ministry of Intergovernmental Affairs will be considered again. On Tuesday, October 16, in the afternoon and the evening the House will give consideration to the following government documents: Oil Pricing and Security: A Policy Framework for Canada, August 1979 and, Energy Security for the 1980s: A Policy for Ontario, October 1, 1979.

On Wednesday, October 17, the resources development, general government and justice committees may meet in the morning. On Thursday, October 18, in the afternoon, private members' public business, ballot item 27, standing in the name of the member for Haldimand-Norfolk (Mr. G. I. Miller), and ballot item 28, standing in the name of the member for Yorkview (Mr. Young). In the evening the House will consider legislation; Bill 122, the Local Services Boards Act, second reading and committee stages. In the morning of Friday, October 19, the House will consider the estimates of the Ministry of Intergovernmental Affairs.

Mr. Renwick: I have a question of the House leader on the order of business. When will the vote be taken on the debate on the resolution on the Tuesday afternoon and evening on the energy matters?

Hon. Mr. Wells: Mr. Speaker, there is no resolution, therefore no vote will be taken. It is the intention of the House to discuss and debate the two government documents which will be on the Order Paper and which should give ample opportunity for a full debate on oil pricing and other energy matters.

Mr. Renwick: On a point of order: Perhaps I am naive about it, but I really don't understand it. I understood that matters in this House were dealt with by way of resolution and that that's the way debate took place—on a motion of some sort—and the purpose of the debate was to come to some resolution on a question. If I'm wrong, and we can table documents and have a general chat about them without influencing in any way the government's decision on these matters, then I would like to understand the rules of the assembly. Perhaps you would enlighten me, Mr. Speaker.

Mr. Speaker: I must remind the honourable member there have been many precedents in this House where a debate did take place without a question being placed before the House. That is the case and those are the rules I have to live by. There has to be a motion before the House before the chair can put the motion to the assembly. It is my understanding that in this case there will be no motion before the House.

Mr. Renwick: But that a debate will take place without a motion?

Mr. Speaker: There's ample precedent for that.

Hon. Mr. Wells: I can't indicate off the top of my head all the precedents to the

member, but I can certainly recall over the last 15 years ample precedent in this House for us placing on the Order Paper a report, particularly a government report that has been considered, and then the House setting aside an amount of time for all the members to present their views on that particular subject. I think it's a particularly fitting way when, to a large degree, we're talking about matters that are not within the direct purview of this House but we want to pass that message on to other areas.

Mr. Renwick: This is an example of the parliamentary practice which has been in force in this province since 1943, and the sooner we get rid of it the better.

The House adjourned at 5:55 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
77	3190	1	7	Bill 140, An Act to amend the Executive Council Act.

APPENDIX A

(See page 3307)

ANSWERS TO QUESTIONS ON NOTICE PAPER

GOVERNMENT MEMBERS' TRAVEL

166. Mr. Van Horne: Will the minister please indicate which cabinet ministers and parliamentary assistants travelled outside of Ontario on government business in 1978-79? Please indicate the name of the province or other country visited, the length of the visit, the purpose of the visit, the number of civil servants (if any) accompanying the cabinet minister or parliamentary assistant, the accommodation cost and travel cost for the cabinet minister or parliamentary assistant and the accommodation cost and travel cost for the civil servants (if any) who accompanied the cabinet minister or parliamentary assistant. (Tabled April 26, 1979.)

Hon. Mr. McCague: The information requested on cabinet ministers and parliamentary assistants who travelled outside of Ontario on government business in 1978-79 is attached.

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
1. Hon. W. Newman	Saskatchewan (Yorkton)	July 9-15, 1978
2. Hon. W. Newman	Italy Bulgaria Hungary West Germany Belgium England	September 14-October 1, 1978
3. Mr. R. K. McNeil	England France	November 4-16, 1978
4. Hon. R. McMurtry	Alberta (Calgary)	May 15-16, 1978
5. Hon. R. McMurtry Hon. R. Brunelle	Quebec (Montreal)	May 24, 1978
6. Hon. R. McMurtry	Newfoundland (St. John's)	June 1-3, 1978
7. Hon. R. McMurtry	Saskatchewan (Regina)	August 7-8, 1978
8. Hon. R. McMurtry	Quebec (Montreal)	September 24-25, 1978
9. Hon. R. McMurtry	Quebec (Mont. Ste. Marie)	November 23-25, 1978
10. Hon. R. McMurtry	New Brunswick (St. John)	December 1-4, 1978

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
Ministers and deputy ministers conference.	5	Nil	Nil	627	526
Trade mission.	3	2,638	1,049	7,748	4,380
Trade mission.	1	1,581	923	1,443	939
Guest speaker—Canadian Association of Petroleum Landmen. Discuss Ontario's view on confederation and the unity question with the Alberta media.	2	177	342	160	708
To discuss Quebec-Ontario relations with Premier Levesque.	5	Nil	Nil	48	Nil
Meet with Newfoundland Bar Association. Meetings with the Premier and Attorney General of Newfoundland re constitution and matters of mutual interest and concern regarding the administration of justice.	1	348	284	110	284
Premiers' constitution conference.	4	92	354	437	1,190
Continuing committee of provincial and federal ministers on the constitution.	4	103	61	252	338
Continuing committee of provincial and federal ministers on the constitution.	4	195	101	835	481
Guest speaker, University of New Brunswick Law School.	Nil	200	200	Nil	Nil

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
11. Hon. R. McMurtry Mr. N. W. Sterling	India (Various cities)	January 9-28, 1979
12. Hon. K. Norton	Nova Scotia	September 19-21, 1978
13. Hon. K. Norton	France Belgium Sweden Germany England	January 4-26, 1979
14. Hon. L. Grossman	Quebec (Quebec City)	July 8-10, 1978
15. Hon. F. Drea	Quebec (Montreal)	December 27, 1978
16. Hon. F. Drea	Louisiana USA (New Orleans)	February 6-9, 1979
17. Hon. F. Drea	Oregon, USA (Portland)	August 19-22, 1978
18. Hon. F. Drea	California (San Francisco)	July 12-16, 1978
19. Hon. F. Drea	Italy (Rome)	September 2-5, 1978
20. Hon. F. Drea	Ohio, USA (Cleveland)	October 19, 1978
21. Hon. R. Welch	Quebec	April 12-13, 1978

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
Invitation by the government of India to visit India and meet with government and legal officials; to address various Indian professional and business associations; to make a film on the diversity of India's culture, society and religions for use in schools and human rights endeavours throughout the province.	4	272 770	989 1,363	1,487	5,944
Inter-provincial conference of ministers of social service.	5	97	257	494	1,203
To study social service programs in Western European countries.	1	3,855	810	2,790	810
Quebec-Ontario agreement on automobile insurance.	1	147	125	147	125
Quebec-Ontario agreement on automobile insurance.	3	Nil	120	Nil	393
North American gambling conference.	1	271	200	271	200
American Corrections Association conference.	3	320	395	908	1,186
Inspect relocatable jail facilities.	1	360	427	355	427
Represent the Ontario government at the investiture of the Pope.	1	600	1,672	281	1,686
Address American probation parole conference.	Nil	Nil	470	Nil	Nil
Recreation ministers' conference.	4	87	174	151	469

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
22. Hon. R. Welch	Saskatchewan	June 7-8, 1978
23. Hon. R. C. Baetz	Alberta	January 31-February 2, 1979
24. Hon. R. C. Baetz	Manitoba	February 12-13, 1979
25. Hon. R. C. Baetz	Newfoundland	March 16, 1979
26. Hon. T. L. Wells	Quebec	July 16-17, 1978
27. Hon. T. L. Wells	British Columbia	July 19-27, 1978
28. Hon. T. L. Wells	Italy (Rome)	August 11-15, 1978
29. Mr. R. D. Kennedy	California, USA (Los Angeles)	March 31-April 4, 1978
30. Mr. R. D. Kennedy	California, USA (San Francisco)	February 28-March 3, 1979
31. Hon. R. C. Baetz	Alberta	May 29-June 1, 1978
32. Hon. J. A. C. Auld	Quebec	November 14-16, 1978
33. Hon. G. McCague	PEI (Charlottetown)	June 6-9, 1978
34. Hon. G. McCague	USA—Houston, Kansas City, Chicago, Milwaukee, New Orleans	July 10-14, 1978
35. Hon. G. McCague	USA—Miami Beach	May 1-4, 1978
36. Hon. H. C. Parrott	USA—New Orleans, Houston, Chicago	February 19-23, 1979

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
Meeting of ministers responsible for lotteries.	2	46	294	81	294
Culture ministers' conference.	6	180	342	1,112	2,224
Canada Winter Games.	2	59	489	186	1,179
Meeting with Premier Moores.	1	Nil	386	Nil	386
Address to Association Francaise des Conseils Scolaires de l'Ontario.	Nil	125	154	Nil	Nil
Meeting with Minister of Education for the province of British Columbia. Represented the Ontario government at the Captain Cook bicentennial celebrations.	1	656	240	168	240
Representing the Premier at the funeral of Pope Paul VI.	Nil	All expenses paid by the Department of External Affairs.		Nil	Nil
National School Board Association conference.	Nil	164	347	Nil	Nil
Association for Children with Learning Disabilities conference.	Nil	253	401	Nil	Nil
Western Canada energy study tour.	2	250	403	251	828
Energy ministers' conference.	7	128	521	686	2,506
Canadian Council of Resources and Environment Ministers.	1	272	481	154	236
Tour of waste management sites in USA.	3	365	703	1,638	2,109
National solid waste management exposition.	1	150	270	371	270
Tour of US waste disposal facilities.	1	630	273	580	260

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
37. Hon. L. C. Henderson	Alberta	July 31- August 4, 1978
38. Hon. D. R. Timbrell	Italy (Region of Friuli)	April 26-May 1, 1978
39. Hon. D. R. Timbrell	New York, USA (Niagara Falls)	May 5, 1978
40. Hon. C. Bennett	Washington, DC USA	February 12-24, 1979
41. Hon. J. R. Rhodes	Minnesota, USA (Minneapolis)	March 31-April 4, 1978
42. Hon. J. R. Rhodes	UK Switzerland	April 12-14, 1978
43. Hon. J. R. Rhodes	Egypt Iran	September 19-28, 1978
44. Hon. L. Grossman	UK France Switzerland	November 17-20, 1978
45. Hon. L. Grossman	Mexico	January 21-25, 1979
46. Hon. L. Grossman	Florida, USA	February 3-4, 1979
47. Mr. G. E. Smith	Cuba	February 4-8, 1979
48. Mr. G. Ashe	Alberta	August 23-27, 1978
49. Hon. T. L. Wells	Quebec	September 24-27, 1978
50. Hon. T. L. Wells	Quebec	November 23-30, 1978

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
Meeting with Minister of Housing and Public Works, province of Alberta. Hosted reception at 11th annual Commonwealth Games. Visited Syncrude, Tar Sands, Cold Lake.	Nil	411	414	Nil	Nil
Representing province of Ontario at official opening ceremonies.	1	195	974	216	1,012
Address to the Trustee Administrator Institute.	1	Nil	255	Nil	255
Meeting with US federal Department of Housing and Urban Development. Inspected new towns in Washington area.	4	425	224	1,629	858
Seeking export sales and investment.	1	348	167	238	167
Visit Ontario House and attend GATT negotiations.	2	412	1,618	259	3,236
Seeking export opportunities and investment.	2	345	1,246	1,292	5,012
Visit ministry offices and attend GATT negotiations.	1	1,055	1,860	544	1,860
Official visit to Mexico.	2	797	639	1,291	1,099
Make presentation on behalf of the Ontario government to private businesses.	Nil	65	241	Nil	Nil
Lead a sales mission.	1	467	374	301	374
Conference of ministers of municipal affairs.	2	256	394	414	901
Conference of ministers on the constitution.	4	157	142	546	1,312
Continuing committee of ministers on the constitution.	4	435	740	828	622

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
51. Hon. T. L. Wells	British Columbia	January 22-27, 1979
52. Hon. T. L. Wells	Quebec	February 9-11, 1979
53. Hon. T. L. Wells	British Columbia	February 26-28, 1979
54. Hon. T. L. Wells	Florida, USA	March 9-12, 1979
55. Hon. R. Elgie	Quebec City	September 28-29, 1978
56. Hon. R. Elgie	New York and Boston	March 13-15, 1979
57. Hon. D. J. Wiseman	Barbados	March 17-25, 1979
58. Hon. F. S. Miller	PEI (Charlottetown)	June 6-8, 1978
59. Hon. F. S. Miller	Natchez, Miss., and New Orleans, USA	July 23-24, 1978
60. Hon. J. A. C. Auld	Nova Scotia (Halifax)	September 19, 1978
61. Hon. J. A. C. Auld	British Columbia (Victoria)	September 25-28, 1978
62. Hon. J. A. C. Auld	Mexico City, Mexico Guatemala, Santo Domingo	February 8-14, 1979
63. Hon. J. A. C. Auld	W. Virginia, USA (Harper's Ferry)	March 13, 1979

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
Conference of ministers on the constitution.	5	486	652	1,327	2,776
Signing of Ontario-Quebec tourism agreement.	1	100	866	28	577
Official Ontario representative at the funeral of W. A. C. Bennett.	Nil	135	652	Nil	Nil
Official Ontario representative at the opening of the Blue Jays baseball season.	Nil	280	230	Nil	Nil
Discussions on Ontario-Quebec construction worker mobility.	1	51	153	40	154
Attending Work in America Institute conference and meetings on American anti-inflation programs.	1	186	212	286	207
Visiting the Parliament of Barbados as representative of the Ontario Branch of the Commonwealth Parliamentary Association.	Nil	All expenses were incurred through the Speaker's Office.			
Canadian Council of Resource and Environment Ministers.	3	86	481	449	1,443
Tour of sawmills in southern USA.	Nil	40	581	Nil	Nil
Canadian Chamber of Commerce on federal-provincial relations.	Nil	Nil	209	Nil	Nil
Federal-provincial parks and forestry conferences.	2	123	414	246	828
Tour of mines.	4	559	913	2,312	3,628
Appalachian Trail conference.	4	Nil	153	Nil	612

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
64. Hon. L. Bernier	New York City, NY New Orleans, La. Little Rock, Ark.	August 24-30, 1978
65. Hon. L. Bernier	Alberta (Edmonton and Calgary)	September 26- October 2, 1978
66. Hon. L. Bernier	Italy (Rome)	October 19-25, 1978
67. Hon. W. G. Davis	Quebec (Montreal)	June 29, 1978
68. Hon. W. G. Davis	Alberta (Calgary)	July 4-7, 1978
69. Hon. W. G. Davis	Saskatchewan (Regina)	August 8-12, 1978
70. Hon. W. G. Davis	Israel Iran Belgium UK	September 19-29, 1978
71. Hon. W. G. Davis	USA (Washington, DC)	March 3-5, 1979
72. Hon. R. Welch	USA (Washington, DC)	February 6-7, 1979

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
Promote tourism in northern Ontario Mississippi River Parkway Convention.	2	424	437	801	523
First annual conference of northern ministers.	6	377	509	998	2,257
Meeting with president of Minalta Coal re Ona Kawana Development.					
Official representation at the investiture of Pope John Paul II.	1	958	2,375	952	1,664
Visit Pearson cup game.	3	179	414	110	622
Address Calgary Chamber of Commerce Stampede reception/luncheon. Meetings with Premier Lougheed.	5	405	993	1,248	1,951
Premiers' conference.	4	294	1,262	732	5,793
Trade mission.	5	1,506	6,457	6,318	9,468
Address National Society of Fund Raising Executives. Meetings with State Department and Treasury Department officials.	4	1,200	414	965	829
Examining the US congressional committee system with members and staff of the procedural affairs committee. Exploring the application of computerized information systems within justice.	1	304	120	247	147

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
73. Hon. R. Welch	England (London)	March 15-24, 1979
74. Hon. R. Brunelle	PEI (Charlottetown)	June 5-8, 1978
75. Hon. R. Brunelle	Manitoba (Winnipeg)	June 22-23, 1978
76. Hon. R. Brunelle	West Virginia, USA (Harper's Ferry)	March 13, 1979
77. Hon. M. Birch	Poland and England	June 1-8, 1978
78. Hon. M. Birch	Nova Scotia (Cape Breton)	September 19-21, 1978
79. Hon. M. Birch	Illinois, USA (Chicago)	March 7-8, 1979
80. Hon. L. Maeck	Massachusetts, USA (Hyannis)	August 13-17, 1978
81. Hon. G. A. Kerr	Nova Scotia (Halifax)	August 27-31, 1978
82. Hon. W. D. McKeough	British Columbia	April 25-26, 1978
83. Hon. W. D. McKeough	England, W. Germany, Switzerland	May 15-21, 1978
84. Mr. G. Ashe	London (England)	May 15-21, 1978

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
To attend seminar sponsored by the Commonwealth Parliamentary Association and other meetings with government officials as arranged.	Nil	699	317	Nil	Nil
Attend Canadian Conference of Resources and Environment Ministers.	2	61	346	225	599
Conference on Indian matters.	5	37	469	327	2,849
Appalachian Trail conference.	1	Nil	153	Nil	153
Opening of Kurelek exhibition.	1	895	1,076	575	1,076
To talk with government officials in London on the development of family policy for the government of Ontario.					
Inter-provincial conference of Ministers of Social Services.	1	139	263	122	228
Speaking engagement at the Thorek Memorial Centre.	1	80	144	80	144
Eastern Region Association of Sales Tax Administrators annual conference.	3	216	172	1,473	748
Seminar, Canadian Bar Association.	Nil	245	100	Nil	Nil
Canadian Club speech.	2	143	652	169	1,387
European banking tour.	5	741	2,671	1,720	6,666
Regional government education and economic development tour.	Nil	523	1,294	Nil	Nil

Name of Cabinet Minister or Parliamentary Assistant	Province or Country Visited	Length of Visit
85. Hon. W. D. McKeough	Manitoba (Winnipeg) Saskatchewan (Saskatoon)	July 5-7, 1978
86. Hon. W. D. McKeough	Saskatchewan (Regina)	August 1-15, 1978
87. Hon. F. S. Miller	England, West Germany, France, Italy, Switzerland	October 1-13, 1978
88. Hon. F. S. Miller	Quebec	January 19-21, 1979
89. Hon. J. W Snow	Quebec (Carthierville)	May 25, 1978
90. Hon. J. W. Snow	Washington, USA (Seattle)	June 8-9, 1978
91. Hon. J. W. Snow	New Brunswick	July 17, 1978
92. Hon. J. W. Snow	Quebec (Quebec City)	August 30-September 1, 1978
93. Hon. J. W. Snow	Quebec (Murray Bay)	September 25-26, 1978
94. Hon. J. W. Snow	Florida, USA (Cape Kennedy)	December 14-16, 1978
95. Hon. J. W. Snow	Quebec (Hull)	January 31, 1979

Purpose of Visit	Number of Accompanying Public Servants	Accommodation Cost for Minister or Parliamentary Assistant	Travel Cost for Minister or Parliamentary Assistant	Accommodation Cost for Accompanying Public Servants	Travel Cost for Accompanying Public Servants
Constitution conference.	5	99	1,299	254	3,454
Premiers' conference.	5	527	409	721	1,973
European banking tour.	1	3,391	2,276	1,175	2,011
Annual Canadian conference.	1	297	52	137	56
Intermediate capacity transit system meeting with Canadair president.	2	Nil	345	Nil	690
Inaugural flight of Wardair 747.	Nil	57	Nil	Nil	Nil
Canadian Conference of Motor Transport Administrators. Meeting with transportation ministers of Nova Scotia and New Brunswick.	Nil	46	188	Nil	Nil
Canadian Conference of Motor Transport Administrators. 13th annual conference of ministers.	7	67	417	595	2,869
Air Industries Association Convention.	Nil	63	201	Nil	Nil
Bell Canada communications satellite launching.	Nil	128	Nil	Nil	Nil
Meeting with Quebec Minister of Transportation on air carrier policy.	Nil	26	106	Nil	Nil

PHYSICIAN AVAILABILITY

173. Mr. Cassidy: Would the Minister of Health table information on the number of medical specialists by county across Ontario? Would the minister state the total number of specialists practising in each county, and would the minister indicate how many of these specialists are still in OHIP? Would the minister further indicate how many anaesthetists, obstetricians and gynecologists, surgeons, psychiatrists, and paediatricians there are in total in each county, and how many are still practising within OHIP? Would the minister provide this information as of March 31, 1979; December 31, 1978, September 30, 1978; June 30, 1978; March 31, 1978? Would the minister also state the total number of general practitioners in each county and the number still within OHIP as of the same dates as noted above? (Tabled May 3, 1979. Interim Answer May 18, 1979. Approximate date information available, June 29, 1979.)

Hon. Mr. Timbrell: A list of physicians participating in OHIP is currently being prepared and checked for accuracy. Physicians will be listed by county or region and specialty, together with addresses and telephone numbers.

This list will be tabled in the House and subsequently made available across the province. This list should provide a useful source of information for the public and referring physicians.

214. Mr. Breaugh: Would the Minister of Health inform the House of the number of "full-time practising physicians" which there are in the province of Ontario as of March 31, 1979? Would the minister provide this data in terms of distribution by county and in total? Would the minister indicate what is the ministry's criterion for determining who is in full-time practice in terms of gross income received per year or in terms of volume of billings per year? (Tabled June 1, 1979.)

Hon. Mr. Timbrell: The answer to the first two parts of this question are provided in the answer to Order Paper question 173.

With respect to the question of full-time practice, we do not record data on full or part-time practice. We only record individuals who bill OHIP.

PHYSICIANS OPTING OUT OF OHIP

215. Mr. Breaugh: Would the Minister of Health undertake to inform the House on a monthly basis of the numbers of physicians who are no longer participating in the Ontario Health Insurance Program, and the number who have given three months' notice that they wish to bill their patients directly? (Tabled June 1, 1979.)

Hon. Mr. Timbrell: The answer to this question is provided in the answer to the Order Paper question 173.

NON-INSURED HEALTH CHARGES

216. Mr. Breaugh: Would the Minister of Health table any studies which have been conducted by or for the Ministry of Health or the government of Ontario regarding the cost of including for OHIP coverage prosthetic devices, wheelchairs and any other non-insured services or equipment not presently covered by OHIP? (Tabled June 1, 1979.)

Hon. Mr. Timbrell: The Ministry of Health undertook a survey of the payment of prosthetic and orthotic devices in Ontario which was completed in November, 1977. This is now being reviewed by a committee on assistive devices which was set up by the Secretariat for Social Development.

The Ministry of Health is funding a research project entitled Demographic and Need Related Characteristics of Physically Handicapped Persons in Ontario. The study will be completed in mid-1980. The study is being conducted by Boston, Gilbert and Henry Associates in conjunction with Steven Levy Associates, who submitted one of six bids received from Ontario researchers.

PUBLIC HEALTH REVIEW

217. Mr. Breaugh: Would the Minister of Health inform the House about who were the members of the Public Health Review Implementation Group, and how were they selected? How often did this group meet after its formation? What recommendations did this group make to the ministry, and would the minister table the full texts of any reports which were made by the group to him? What timetable has the minister adopted for the implementation of any recommendations with which he agrees? (Tabled June 1, 1979).

Hon. Mr. Timbrell: The Public Health Review Implementation Group was made up of six members of the Ministry of Health staff: Dr. Barbara Blake, Director, Community Health Protection Branch, Chairman; Mr. W. Bain, Director, Institutional Planning Branch; Mr. E. H. Wright, Director, Institutional Operations Branch; Mr. J. K. Maynard, Executive Director, Institutional Division; Dr. G. G. Caudwell, Medical Consultant, Personal Health Division; Mr. K. Swindale, Financial Consultant, Fiscal Resources Branch.

An advisory committee to the implementation group consisted of members nominated by five health organizations:

Ontario Public Health Association: Mr. E. O'Reilly, Business Administrator, Kingston, Frontenac and Lennox and Addington Health Unit; and Dr. R. M. Aldis, Medical Officer of Health, Wellington-Dufferin-Guelph Health Unit.

Canadian Public Health Association: Miss L. Butler, Director of Nursing, Thunder Bay District Health Unit; and Mr. J. D. T. Roberts, Executive Director, Thames Valley District Health Council.

Association of Ontario Boards of Health: Mrs. J. Smith, Chairman, Hastings and Prince Edward Counties Health Unit; and Mr. R. Stephens, Chairman, Simcoe County District Health Unit.

Ontario Community Health Federation: Dr. T. W. Hicks, Dental Director, Sudbury and District Health Unit; and Mr. G. Skipwith, Business Administrator, Simcoe County District Health Unit.

Ontario Medical Association: Dr. D. Huggins, General Practitioner, 445 Diane Crescent, Timmins, Ontario.

The implementation group and advisory committee were established in December, 1977, and met together nine times. They reported in April, 1978. A copy of the recommendations made by the group and advisory committee is attached.

A recommendation concerning the establishment of a program of accreditation has been accepted. I announced on May 28 that a steering committee will be formed to organize a voluntary accreditation program to be carried out by a non-government body. The steering committee is to meet as soon as possible with a view to the launching of the program within a year.

Recommendations concerning the internal organization and duties of public health units will be dealt with in legislation which I will propose in a year's time.

Recommendations concerning the interface of public health units with the ministry have been accomplished with the formation of the Public Health Branch in December 1978 and with improved communication with the provincial representatives on boards of health.

Recommendations concerning funding are being addressed. This year a $2 million increase in funds has been provided to the public health departments of Metropolitan Toronto which raised the ministry's share of their costs from 25 per cent to 33⅓ per cent.

Recommendations concerning research grants for public health have been actively pursued. I announced at the annual meeting of the Association of Ontario Boards of Health at Timmins on May 28, 1979 the establishment of a public health research and development support program, "for research into the evaluation of programs, the methods of program delivery, the development of professional skills, and other areas crucial to improved performance of the public health sector. Conferences and workshops will be held and special projects, like attitudinal and fact-finding surveys, will be encouraged. Details of this program will be circulated to members of this Association in the near future".

The Advisory Committee and the Implementation Group: Chairman, Dr. B. J. Blake; Members: 1. Advisory Committee: Mr. E. O'Reilly and Dr. R. M. Aldis of the Ontario Public Health Association; Miss L. Butler and Mr. J. D. T. Roberts of the Review Committee, Canadian Public Health Association; Mrs. J. Smith and Mr. R. Stephens of the Association of Ontario Boards of Health; Dr. T. W. Hicks and Mr. G. Skipwith of the Ontario Community Health Federation; Dr. D. Huggins of the Ontario Medical Association. 2. Implementation Group: Dr. B. Blake, Mr. W. Bain, Dr. G. G. Caudwell, Mr. J. K. Maynard, Mr. K. Swindale and Mr. E. H. Wright of the Ministry of Health.

Report of the Advisory Committee and the Implementation Group on the public health review:

Introduction: The Advisory Committee and the Implementation Group (ACIG) were established in December 1977 to advise the minister, Hon. Dennis R. Timbrell, on the implementation of the findings of the report of the review of public health services in Ontario. Specific subjects, that were addressed by the report, were identified for the special attention of the ACIG. These were: I. Accreditation; II. Organization and administration of public health services, including relationships to ministry and district health councils; III. Funding of public health units; IV. Roles of voluntary agencies and volunteers; V. Health promotion; VI. Immunization; VII. Role of area medical officers; VIII. The role, training and continuing education of public health professionals; IX. Research and innovation, including demonstration models.

The ACIG met on nine occasions to consider these subjects and with some (Nos. I, II, III, VIII) formed working groups from its members. In others (Nos. IV, V, IX) discussion papers were developed; while one (No. VI) was removed from the list because of prior consideration elsewhere in the Ministry of Health.

In the course of its deliberations, a liaison was maintained with a ministerial group that was involved with the drafting of a new Health Protection Act. In addition, a compilations of responses to the report from health-orientated agencies and associations was received.

At the outset, the ACIG experienced difficulty in orientating itself to its task because of the lack of certain information on legislation, programs and definitions. Nevertheless, it was able to proceed by making some broad assumptions in these regards.

Throughout its deliberations, the ACIG was ever mindful of the need for the future direction of public health services to serve the public rather than the system. Nevertheless, it noted the responsibility of the public not to make excessive demands on the system, certainly beyond the capacity of government to pay for them. It remained convinced of the value of present services and their integral role in the total health field. It is believed that these points-of-view are reflected in the minutes of its meetings and the following recommendations.

I. Accreditation: Recommendation No. 1: The Ministry of Health should stimulate the establishment of a program of accreditation for public health units. Comment: The program should be non-governmental, voluntary and not be influenced by incentives or sanctions. It should be provided by the Ontario Public Health Association using Ontario standards including a mandatory services requirement. It should be funded 100 per cent by the province with a program review scheduled in five years from start-up.

II. Organization and administration of public health services: Recommendation No. 2: With respect to public health units, the Ministry of Health, should:

(i) Encourage public health units to adopt the proposed line organization and committee structure. Comment: The proposal will retain but also enhance, present unit structures and emphasize participative management techniques. The value of management consultants in the implementation phase in individual units was noted.

(ii) Encourage the development of prototype bylaws for public health units. Comment: These will assist units to define responsibilities, both administrative and professional, and give functional direction for the organization proposed in Recommendation No. II(i) above. They will ensure some uniformity in form and content of the bylaws in individual units in the province.

(iii) Encourage and assist all public health units to draft bylaws using the prototype in recommendation No. II(ii). Comment: Here, the observance of the automony of units in this exercise was stressed.

(iv) Recognize that the chief executive officer may be other than the medical officer of health with the appointment being made at the discretion of the board of health. Comment: The ACIG recognized the need for administrative skills in this position.

Recommendation No. 3: The Ministry of Health, with respect to its interface with public health units, should:

(i) Provide a more consistent and effective consultative service. Comment: Experts in various disciplines (medical, dental, nursing, financial) concerned with both program and administration, should be available on an individual or team basis. The area medical officer concept was not endorsed. The need for a point(s) of contact in the community health division for units was recognized. (cf. Recommendation No. 8).

(ii) Encourage the development of a single agency to represent the general interests of public health. Comment: The ACIG recognized that action had been taken on this recommendation with the establishment of the Community Health Federation.

(iii) Ensure that provincial representatives on boards of health be apprised, on a continuing basis, of the overall health priorities of the ministry in general, and public health in particular.

Recommendation No. 4: The Ministry of Health, with representatives from public health, further define the relationship between district health councils and public health units. Comment: Public health representation and program approval requires clarification.

III. The funding of public health units: Recommendation No. 5: The Ministry of Health should:

(i) Continue a system of cost-sharing with local governments. Comment: This arrangement is seen as providing cost-effective services and avoids the possibility of a lower priority for public health should funding be entirely through the local government.

(ii) Provide an increased, but uniform, percentage contribution to public health units. Comment: The ACIG would redress the present inequities of the lower contribution and the tax burden on local governments.

(iii) Support the introduction of program-budgeting in public health units. Comment: This was seen as providing information on the cost-effectiveness of programs. With the accounting and business procedures manual, it should lead to improved performance. (Cf. Recommendation No. 11(i)).

(iv) Advise public health units by 1st December of funds to be made available in the ensuing year. Comment: This is required so that the local government contribution can be determined.

IV. Roles of voluntary agencies and volunteers: Recommendation No. 6: The Ministry of Health should:

(i) Identify district health councils with the responsibility of co-ordinating the activities of voluntary agencies concerned with health. Comment: The numbers and independence of these agencies was recognized by the ACIG. It also noted the varied approval mechanisms for them at the community level. Thus, it refrained from suggesting that DHC's legitimize them, only co-ordinate them.

(ii) Request public health units to accept the co-ordinating role in recommendation number 6(i) where DHC's do not exist. Comment: The unit was seen as acting as a stimulus in the co-ordination effort.

(iii) Continue to support the use of voluntary agencies that have demonstrated cost-effectiveness.

(iv) Ensure that provincial funding of voluntary, health-orientated agencies be co-ordinated so as to avoid the duplication of services. Comment: The ACIG was of the opinion that the co-ordination should be done centrally, as a number of ministries could be involved. It also stressed the need for complete accountability for the funds.

(v) Publicly recognize the importance of the individual volunteer in the provision of public health services. Comment: The ACIG noted the importance of the services and the declining numbers of volunteers and felt that this might be reversed by appropriate publicity.

V. Health promotion: Recommendation number 7: The Ministry of Health should:

(i) Identify and priorize, with local health agencies, the sectors to which health promotion efforts are to be directed. Comment: The ACIG agreed that while a broad approach is desirable, dissipation of effort could occur.

(ii) Co-ordinate local, provincial and federal health promotion efforts. Comment: Again, dissipation of effort should be avoided.

(iii) Stimulate research in motivation leading to behavioural modification relative to lifestyles affecting health. Comment: The best method of approaching the population at risk must be determined, including an evaluation mechanism.

VI. Immunization: This matter was not addressed by the ACIG as it had received prior consideration by the Ministry of Health.

VII: Role of area medical officers: Recommendation number 8: The Ministry of Health should delete the title and role of area medical officer. Comment: The previously mentioned team concept was seen as better meeting present requirements. However, the ACIG recognized that consultative services would continue to be provided. (Recommendation number 3(i)).

VIII. The role and education of public health professionals: The ACIG became convinced that the Ministry of Health should review with the Ministry of Colleges and Universities, the extent to which educational curricula, including advanced and continuing education, are meeting the ongoing needs of public health and the particular function to be performed by the professional. The value of professional associations and societies in the dialogue was recognized.

The ACIG was also of the view that training bursaries should be reintroduced to stimulate the development of professionals in short supply. This would be conditional to an appropriate "return of service" guarantee, and include periodic evaluation to avoid oversupply.

(a) Medical officer of health: Recommendation number 9: The Ministry of Health should recognize for the present that a diploma (DPH) or a master's degree (MPH) are basic preparation for this health professional. Comment: The ACIG expressed concern over the relevance of present courses to the varied role of the MOH, and the need to review them.

(b) Community health nurse: Recommendation number 10: The Ministry of Health should: (i) Recognize that a baccalaureate degree or a diploma in public health nursing is basic preparation for a public health nurse. Comment: The ACIG noted that a diploma nurse, being trained in an institutional setting, does not have adequate public health preparation. Nevertheless, like an RNA, employment in supervised situations and, in certain programs, is possible and, often desirable.

(ii) Recognize that a senior nurse in community health, employed in a supervisory or administrative position should have additional administrative skills. Comment: These courses are available, but not on a general basis.

Business administrators: Recommendation No. 11: The Ministry of Health should: (i) Encourage boards of health to employ business administrators. Comment: Where units are small, or a qualified person is not available, then sharing of such a person on a regional basis should be considered.

(ii) Recognize the need for appropriate education or equivalent related experience for business administrators.

(d) Public health inspector: Recommendation No. 12: The Ministry of Health should: (i) Continue to recognize the basic preparation of a public health inspector to be a two-year certificate program. Comment: With the appearance of a four-year program at Ryerson Polytechnical Institute, the ACIG was of the opinion that this was excessive except for certain areas of employment (chief executive officer; department head et cetera).

(ii) Investigate the possibility of utilizing auxiliary personnel in public health inspection. Comment: The ACIG noted the value, in less complex situations, of lesser trained, but experienced personnel.

(e) Public health dental personnel: Recommendation No. 13: The Ministry of Health should, with respect to: (i) Dentists certified in public health: recognize the prerequisites, and special training and experience requirements of these specialists.

(ii) Clinical dentists: note the desirability of training in public health dentistry for them.

(iii) Dental hygienists (diploma): take appropriate steps with educationists to correct the present deficiency in their training relative to public health.

(iv) Dental hygienist (degree): take appropriate steps with educationists to have a broad range of public health subjects included in addition to the two-year program. Comment: The ACIG was of the opinion that hygienists should substitute for dentists in as many ways as possible.

(v) Dental Assistants (certified and preventive): encourage their use wherever possible.

(f) Nutritionist: Recommendation No. 13: The Ministry of Health should: (i) Encourage the employment of nutritionists in public health units.

(ii) Recognize the desirability of a master's degree, or equivalent, as preparation for the position. Comment: These recommendations were made in recognition of the importance of proper nutrition in the community, and the need for the master's degree curriculum to include a public health component.

IX. Research and innovation: Recommendation No. 14: The Ministry of Health should: (i) (a) Make the strongest possible public commitment to fund research in public health. Comment: The ACIG was of the opinion that this had been overlooked in the past and required redress; (b) Recognize research as a legitimate activity for public health units. Comment: The ACIG felt that most new initiatives would arise at the unit level; (c) Ensure that funds for (i) (b) above are made available. Comment: This would be for projects, including demonstration models, particularly where more effective services could result.

(ii) (a) Ensure that expertise is available to assist public health units with research. Comment: This would include the preparation of submissions and ongoing help with a project. It could be provided by ministry consultants or made available through university departments. (b) Ensure that persons knowledgeable in public health assist in the evaluation of a public health research submission. Comment: The ACIG felt that the opinion of experts in public health should strongly influence the acceptance or rejection of the submission.

(iii) Encourage the development of research expertise at the public health unit level. Comment: While interest and expertise are available in many units, the ACIG felt that these could be further developed by short courses or seminars.

CO-PAYMENT FEES

222. Mr. Breaugh: Would the Minister of Health indicate to the House what is the total number of persons in nursing homes at present? How many of these persons are obliged to pay no more than the equivalent of the chronic care co-payment fee of $9.80 per day? For those persons who pay more than the equivalent of the chronic care co-payment fee, what is the total amount paid by such persons in the last fiscal year for which figures are available; what was the total number of persons who paid above the rate of $9.80 per day; what was the average and mean figure paid by such persons? (Tabled June 4, 1979.)

Hon. Mr. Timbrell: The number of persons in nursing homes at present is 28,079.

The regulations allow no more than 45 per cent of the beds in any one nursing home to be used as preferred accommodation. The per diem charges for the preferred accommodation are as follows: Feb. 1, 1977-March 31, 1979: semi-private, $4.70; private, $9.40. Effective April 1, 1979: semi-private, $5.00; private, $10.00.

It should be noted, however, that most nursing homes in northern Ontario and some smaller homes in southern Ontario have no preferred accommodation. It is estimated that approximately 2,500 beds are in this category, leaving a balance of approximately 25,500 beds. Of this total, about 11,500 beds would be in the preferred category. Billings for this

accommodation are handled directly by the nursing homes and the ministry has no records.

In addition to the above, patients would only pay nursing homes for services which are uninsured benefits, and would include such services as hairdressing and clothing repairs. Laundry is an insured benefit. Details of services performed must be kept if they total more than $10 a month. The charge for services is billed directly by the nursing home and the ministry has no records.

The ministry inspectors check on all accommodation and services performed when the inspection of the nursing home is conducted and any violations of the rules are reported and nursing home operators are required to reimburse the patients.

CHRONIC CARE BEDS

223. Mr. Breaugh: Would the Minister of Health inform the House how many additional chronic care beds he is prepared to designate for funding in public hospitals in Ontario in 1979-80? To date, how many additional chronic care beds have been approved for funding by hospital, and what is the projected number of additional approvals for the rest of this fiscal year? (Tabled June 4, 1979. Interim Answer June 18, 1979. Approximate date information available June 27, 1979.)

Hon. Mr. Timbrell: The number of chronic beds to be funded in 1979-80 will be determined on the basis of need as identified by the hospitals in conjunction with the district health council. Where there is no district health council, these needs can be determined by either a local health planning agency or by the ministry area team or area planning co-ordinator. In order to qualify for additional funding, the need must be established and the hospital involved must develop a full chronic care program.

The number of surplus active beds approved for conversion to chronic care as at August 24 was 233.

Discussions are continuing with hospitals to identify further conversion possibilities. Each case is examined on its own merit and must be consistent with established need with recognized standards of care. The process requires assessment of a number of factors and different conditions relevant to each individual case and does not lend itself to presumptive projections of numbers of approvals.

AMBULANCE AND EMERGENCY SERVICES

227. Mr. Stong: (a) Will the Minister of Health review Ontario Regulation 599/75 under the Ambulance Act, and more particularly sections 9 and 10 thereof, with a view to extending the deadline of the first day of August 1979 which deadline would cause the discontinuance of full-time employment as a driver attendant for anyone who has not by that date taken and obtained a pass standing in an emergency medical care examination set by the director pursuant to that regulation? (b) Will the minister review the compulsory ambulance and emergency care courses offered by the college of applied arts and technology, which are not available on a part-time basis, which require approximately 320 hours of study and the average annual tuition for which costs the student $325, excluding examinations, so that those courses may be more accessible in terms of time and cost? (c) Will the minister review the competency of the ambulance and emergency care courses offered in light of the failure rate in both the practical and theoretical aspects of the examinations set by the director pursuant to this regulation? (d) Will the minister consider revising the regulation and allow for retraining as opposed to discontinuance of full-time employment by any candidate who is not successful in completing an ambulance and emergency care course or obtaining a pass standing in an emergency medical care examination? (e) Will the minister consider establishing an association of ambulance driver attendants which, when set up, could operate on the same basis as the pilot project provided by the College of Physicians and Surgeons for its members and which pilot project calls for periodic re-examination of doctors with a view to requiring doctors to improve in the areas where they are deficient rather than cause dismissal or suspension from the College of Physicians and Surgeons? (f) Will the minister act immediately to extend the August 1, 1979 deadline to allow those driver attendants who have not yet qualified pursuant to the regulation to do so, so that the already considerable investment in training and experience in these staff members will not be lost? (Tabled June 4, 1979. Interim Answer June 18, 1979. Approximate date information available June 27, 1979.)

Hon. Mr. Timbrell: (a) In using my discretion with regard to the enforcement of the Ambulance Act, I have had my officials review sections 9 and 10 of Ontario Regulations 599/75 under the Ambulance Act and have decided as follows:

(i) Section 9 has been in force since August 1, 1977 and applies to new entrants into ambulance service. Any person employed subsequent to the above date must meet their obligation under the act to obtain the emer-

gency medical care assistant qualification in the time frame indicated.

(ii) I am intending not to enforce deadlines under section 10, with the following conditions: Any person to whom this section applies that has, as of this date, completed the community college program must apply for the next sitting of the EMCA examination; that is currently enrolled in the college program must, upon completion of the program, apply for the next sitting of the EMCA examination which, in any case, must be no later than the next sitting of the EMCA examination subsequent to the first of August, 1980; that is not enrolled in the college program must complete this requirement by the first day of August, 1980 and must apply for the next sitting of the EMCA examination.

(b) In the recent past, up to 18 colleges of applied arts and technology offered the ambulance and emergency care program on a part time basis. Some colleges have opted out as the demand for the program decreased. Those employees to whom section 10 of the regulations apply, that have not accessed the college program, have had two years or more (since the period August 1, 1975 to August 1, 1977) to enrol in these programs and have avoided their responsibility and commitment. However, as indicated in my response to question (a), a limited extension will be granted. My officials have contacted the Ministry of Colleges and Universities to discuss continuation of such programming. That ministry will be dealing with this issue.

Government policy does not presently allow for direct reimbursement of tuition fees as the college program is considered a prerequisite qualification for continued employment. However, a few employers do, in fact, reimburse employees for such costs.

(c) The EMCA examination process is a Ministry of Health responsibility. The success rate in recent examinations shows a favourable improvement. The competency of the ambulance and emergency care programs in relation to the EMCA examination is a feature co-ordinated between my ministry and the Ministry of Colleges and Universities. The Ministry of Colleges and Universities is also responding to this question as the suggested update training is within their responsibility as educators.

(d) Under sections 17 and 18 of the Ambulance Act and regulations, any candidate who is unsuccessful in his first attempt of the EMCA examination is given the opportunity to challenge the exam a second time with no penalty. Only after failure a second time must employment be discontinued. As indicated in (c) above, opportunities for upgrading and refresher training are being pursued with the Ministry of Colleges and Universities.

It is my understanding that time and opportunity is being provided to allow for self-development of the skills required to comply with the regulations. Also, it is notable that a number of community colleges offer update and examination review type courses to persons who require this assistance. This, along with my ministry's dissemination of program objectives and review material to applicants for the exam provides additional support.

(e) An association already exists, that is, the Association of Casualty Care Personnel, whose main objectives is the training, qualification and professionalism of ambulance attendants. My hope is that the association may eventually be capable of assuming a role in any re-examination and/or updating process. It is possible that this association could, in time, assume the entire examination procedure. These possibilities can only be assessed after the ACCP has had the opportunity to grow in stature and acceptance across the province. This association has been participating in the development and implementation of the EMCA examination process.

(f) Officials in my ministry are now preparing to send a letter to all concerned parties outlining the extension criteria under section 10 of regulation 599/75. This letter, containing the information given in my response to your first question, will be delivered in advance of August 1, 1979.

LAB BILLING ERRORS

235. Mr. Ziemba: Will the Minister of Health advise the House how much private medical laboratories billed OHIP each and every year from 1970 to 1978? How much money does the ministry consider was paid in error and how many laboratories were involved in these questionable billings? When will the necessary steps be taken to recover these amounts? (Tabled June 4, 1979. Interim Answer June 18, 1979. Approximate date information available June 27, 1979).

Hon. Mr. Timbrell: OHIP data collection procedures record annual payments to private medical laboratories together with annual payments to physicians who personally conduct their own tests, since both of these payments fall within the category of insured medical laboratory services.

The figure for 1970 is not available. The figures for 1971 through 1978 are as follows ($million): 17.8, 20.7, 32.0, 45.4, 66.0, 70.3, 72.0 and 84.8. The 1978 figure should be regarded as preliminary.

The second part of this question, concerning monies which may have been paid to laboratories in error, was previously answered as the ministry's response at that time indicated that the issue of "payments in error" was being pursued.

Discussions are under-way with laboratories in the hope of resolving differences. It is expected that, where the disputes are not resolved through discussion, the courts will be asked to determine the issue.

GOVERNMENT PURCHASING

236. Mr. di Santo: Would the minister calculate the total annual spending on goods and services for the Ontario government by ministry, by agency and by public corporation? Would he calculate the percentage by value of those goods and services that are not manufactured or produced in Canada? (Tabled June 5, 1979).

Hon. Mr. Wiseman: The answer to the above question is contained in the following table.

GOODS AND SERVICES PURCHASED DURING FISCAL YEAR 1978-1979

	Value of Goods and Services	Percentage manufactured or produced outside Canada
Agriculture and Food	$ 27,594,000	3
Attorney General	27,529,000	2
Colleges and Universities	3,414,000	N/A
Community and Social Services	46,223,000	8
Consumer and Commercial Relations	11,755,000	1
—Liquor Control Board of Ontario	104,563,000	*
Correctional Services	27,397,000	19
Culture and Recreation	7,177,000	11
Education	23,721,000	N/A
Energy	6,151,000	2
—Ontario Hydro	1,727,877,000	21
Environment	33,857,000	7
Government Services	96,758,000	7
Health	47,960,000	22
Housing	11,771,000	1
—Ontario Housing Corporation	99,586,000	*
Industry and Tourism	14,290,000	16
Intergovernmental Affairs	1,472,000	2
Labour	5,398,000	37
—Workmen's Compensation Board	7,140,000	*
Management Board (including Civil Service Commission)	789,000	4
Natural Resources	55,058,000	18
Northern Affairs	5,525,000	*
—Ontario Northland Transportation Commission	38,668,000	1
Office of the Premier	151,000	2
—Cabinet Office	125,000	*
Provincial Secretariat for Justice	174,000	1
Provincial Secretariat for Resources Development	776,000	*
Provincial Secretariat for Social Development	586,000	*
Revenue	11,312,000	2
Solicitor General	26,412,000	5
Transportation and Communications	161,420,000	3
—Toronto Area Transit Operating Authority	19,406,000	*
—Urban Transportation Development Corporation	24,787,000	7
—Treasury and Economics	3,703,000	1

*—less than 1%

237. Mr. di Santo: Would the minister table 50 examples of Ontario Government purchases since January 1, 1978 where a price preference of more than 10 per cent was applied to a Canadian bid? Would he indicate the date of each of those purchases, and its value? (Tabled June 5, 1979).

Hon. Mr. Wiseman: It is the policy of this government to encourage the production of Canadian goods wherever such goods can be economically produced by allowing a price preference of up to 10 per cent to be given in respect of the Canadian content of goods and services supplied to the government.

Since January 1, 1978, there were only five instances of price preference exceeding 10 per cent in respect of Canadian content. These are: Government Services: Data Processing cards, February 1978, $141,155; digital PH meter, July 1978, $1,301; motor analyser, December 1978, $7,380. Ministry of Housing: Scissors, September 1978, $1,935; scissors, June 1979, $1,982.

WEIGHTING FACTORS

242. Mr. Bounsall: Will the ministry provide the precise detail requested in question 190 and omitted in its reply tabled on May 31, 1969, as well as providing further information regarding staffing, not requested at that time? Will the ministry, for 1975, 1978 and 1979 estimated, provide the following table containing the following information on the special education weighting factor: Board name, number of full-time equivalent pupils, cash value of weighting factor, cash value for each full-time equivalent pupil enrolled in a special education class, number of consultants or administrators directly involved in the program. (Tabled June 8, 1979.)

Answer tabled by Hon. Miss Stephenson:

SPECIAL EDUCATION

Name of Board		1975 Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
Boards of Education						
Hamilton	Pub.	29,681	1,022,427	1,392	132.4	1.9
	Sec.					
London	Pub.	27,734	801,230	1,324	123.3	9.5
	Sec.					
Metro Toronto	Pub.	229,753	9,828,837	1,329	1,242.7	99.6
	Sec.	140,366	647,085	2,017	40.1	31.4
Ottawa	Pub.	21,090	1,037,007	1,328	126.7	6.5
	Sec.					
Windsor	Pub.	15,958	441,716	1,314	70.2	.6
	Sec.					
Brant	Pub.	11,950	252,271	1,318	46.0	–
	Sec.					
Bruce	Pub.	7,153	52,286	1,327	19.1	–
	Sec.					
Carleton	Pub.	22,214	351,640	1,331	74.8	2.8
	Sec.					
Dufferin	Pub.	4,399	127,075	1,381	19.1	2.2
	Sec.					
Dufferin	Pub.	29,481	485,846	1,313	102.0	.4
	Sec.					
Elgin	Pub.	9,260	77,970	1,441	24.0	1.7
	Sec.					
Essex	Pub.	10,473	220,150	1,323	40.1	1.8
	Sec.					
Frontenac	Pub.	12,004	278,979	1,360	45.3	2.0
	Sec.	7,797	3,353	1,677	.3	1.1
Grey	Pub.	9,973	231,784	1,324	40.0	1.5
	Sec.					
Haldimand	Pub.	4,821	58,481	1,338	14.7	–
	Sec.					
Haliburton	Pub.	1,526	33,773	1,319	6.0	–
	Sec.	635	3,103	1,939	.2	–
Halton	Pub.	30,803	188,206	1,546	72.0	3.8
	Sec.					
Hastings	Pub.	13,581	480,347	1,361	66.5	2.7
	Sec.	8,006	5,764	1,601	.5	1.1
Huron	Pub.	7,649	110,448	1,326	25.0	–
	Sec.					
Kent	Pub.	12,053	293,480	1,298	50.5	1.6
	Sec.					
Lambton	Pub.	14,318	292,941	1,311	54.4	3.3
	Sec.					
Lanark	Pub.	5,177	185,019	1,305	26.6	1.2
	Sec.					
Leeds & Grenville	Pub.	10,530	341,270	1,347	49.2	–
	Sec.					

1978					1979				
Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
25,973	1,599,153	1,840	143.0	.9	24,660	1,636,234	2,007	138.3	2.9
18,175	1,003,832	1,470	202.3	.1	17,568	1,045,125	2,053	173.9	.1
24,881	1,464,001	1,907	131.9	7.8	24,185	1,642,417	2,067	133.4	7.8
17,623	324,431*	2,739	97.5	7.7	17,206	341,194*	2,917	79.1	6.7
194,123	16,490,742	1,847	1,286.5	94.6	180,189	17,999,108	1,967	1,271.6	105.0
143,205	7,829,013	2,868	1,261.2	36.1	136,262	8,456,447	2,952	1,291.0	36.5
17,500	1,482,102	1,835	118.5	7.8	16,379	1,490,745	1,601	133.0	7.2
23,412	1,249,722	2,615	224.0	6.2	22,273	1,325,003	2,212	246.8	6.8
13,932	754,538	1,884	73.5	.5	13,423	580,530	2,044	59.5	.8
12,790	501,447	2,780	108.5	.5	12,442	715,415	2,974	117.2	1.2
11,300	565,132	1,958	55.1	1.0	10,936	671,639	2,060	58.7	1.0
6,501	315,953	2,720	55.5	1.0	6,523	376,391	2,762	58.8	1.1
7,149	193,102 21,884*	1,873	26.7	—	7,245	262,210 23,916*	1,990	29.8	—
22,302	1,013,892 296,641*	1,984	97.4	12.5	22,050	1,046,649 328,845*	2,134	94.0	12.0
4,569	282,508	2,009	23.7	2.5	4,469	346,929	2,144	26.1	2.0
2,261	41,631*	2,075	12.7	—	2,304	45,696*	2,810	13.6	—
29,410	714,358	2,015	93.6	2.8	29,044	1,031,049	2,147	107.9	6.0
17,622	402,130	2,984	119.0	4.2	17,721	505,947	3,047	124.5	4.0
8,780	278,247 48,601*	1,912	33.5	2.7	8,535	300,615 52,232*	2,055	33.2	2.7
9,932	273,426	1,952	35.4	4.2	9,757	523,799	2,106	47.2	1.8
8,405	222,819	2,712	59.7	.8	8,461	385,826	2,946	69.0	.2
10,311	574,548	1,875	50.0	2.7	9,983	835,463	2,074	57.4	2.5
8,091	311,271	2,813	64.0	1.6	7,981	417,821	3,014	65.8	1.0
9,252	538,394 30,681*	1,875	51.6	2.5	8,939	591,921 32,874*	2,024	51.4	2.0
4,240	150,887	1,840	18.3	—	4,057	186,307	2,001	19.1	—
1,408	58,867	1,789	6.8	—	1,352	78,673	1,920	7.6	—
28,378	530,676	1,896	76.5	11.0	27,528	1,019,929	2,076	105.0	9.0
20,631	292,340*	2,755	109.5	1.0	20,468	312,337*	2,942	108.0	1.0
11,873	925,352	1,754	80.7	3.5	11,224	948,729	1,716	79.4	2.5
8,057	148,334*	2,461	46.0	—	7,676	171,947	2,538	50.7	—
6,898	304,609 19,746*	1,901	32.3	—	6,675	320,657 21,134*	2,056	31.4	—
10,799	575,038	1,880	56.4	3.4	10,539	717,057	2,030	61.2	1.6
7,510	127,151*	2,616	36.3	.6		134,554*			
12,936	399,851	1,868	51.2	5.5	12,339	441,506	1,986	51.6	5.0
8,667	169,093	2,742	51.6	1.5	8,030	149,679	2,770	51.5	2.0
4,825	300,826	1,880	28.0	.6	4,693	373,539	2,040	30.2	1.8
3,461	56,065*	2,678	18.9	.4	3,437	77,666	2,846	22.5	1.2
9,578	712,860 36,342*	1,911	58.1	.5	9,211 6,260	792,880 187,424	1,859 2,833	62.7 36.3	1.0 1.0

SPECIAL EDUCATION

Name of Board		1975 Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
Boards of Education						
Lennox & Addington	Pub.	5,207	197,641	1,469	21.9	–
	Sec.					
Lincoln	Pub.	20,683	530,528	1,333	86.5	.8
	Sec.					
Middlesex	Pub.	8,300	230,585	1,306	37.0	1.6
	Sec.					
Niagara South	Pub.	21,089	382,563	1,324	75.5	3.0
	Sec.					
Norfolk	Pub.	7,010	110,340	1,315	23.9	1.4
	Sec.					
Northumberland & Newcastle	Pub.	13,644	257,740	1,161	56.7	–
	Sec.					
Oxford	Pub.	11,448	190,724	1,345	39.0	2.8
	Sec.					
Peel	Pub.	47,932	390,169	1,360	128.5	14.2
	Sec.					
Perth	Pub.	8,856	797	1,476	18.0	1.3
	Sec.					
Peterborough	Pub.	11,998	325,514	1,457	47.3	.8
	Sec.					
Prescott & Russell	Pub.					
	Sec.					
Prince Edward	Pub.	3,371	33,714	1,338	9.7	–
	Sec.					
Renfrew	Pub.	8,432	343,507	1,330	46.0	–
	Sec.					
Simcoe	Pub.	26,282	165,312	1,380	65.3	–
	Sec.					
Stormont, Dundas, etc.	Pub.	7,639	200,829	1,336	32.3	2.0
	Sec.					
Victoria	Pub.	5,740	148,790	1,464	22.0	.4
	Sec.					
Waterloo	Pub.	30,474	1,266,802	1,394	154.5	–
	Sec.					
Wellington	Pub.	14,728	91,313	1,605	33.9	2.2
	Sec.					
Wentworth	Pub.	13,235	55,056	1,327	32.0	.5
	Sec.					
York	Pub.	27,905	457,368	1,317	96.4	7.9
	Sec.	15,458	33,390	1,304	3.2	2.0
Atikokan	Pub.					
	Sec.					
Central Algoma	Pub.	1,637	29,392	1,336	5.8	–
	Sec.					
Cochrane-Iroquois Falls	Pub.	1,780	53,063	1,354	7.8	–
	Sec.					

1978					1979				
Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
4,811	285,563	1,842	23.4	.9	4,620	303,964	1,999	22.4	.9
2,643	140,137	2,727	22.7	.1		52,542*			
19,060	960,630	1,903	94.0	1.0	18,140	999,174	2,022	93.0	1.0
	72,201*				12,785	75,945*	3,034	60.4	—
7,566	322,305	1,896	34.8	3.6	7,345	352,844	2,033	34.9	5.3
4,275	77,896*	2,742	23.5	.4	4,265	83,718*	2,907	24.1	.7
18,640	1,452,769	1,633	135.5	3.7	17,767	1,271,588	2,028	107.6	3.0
14,194	593,179	2,773	116.8	2.0	13,836	669,368	2,979	116.4	2.0
6,046	265,440	1,876	28.6	1.9	5,792	326,398	2,031	30.2	1.9
3,947	72,662*	2,801	18.7	.1		77,509*			
12,432	487,575	1,900	52.8	2.9	11,969	465,362	2,041	49.7	2.6
	78,765*				8,014	84,146*	3,077	33.3	2.4
10,095	323,834	1,883	40.0	2.7	9,677	380,287	2,029	41.0	2.7
	23,978*					25,474*			
49,725	2,634,929	2,025	222.0	10.8	48,901	3,238,711	2,172	238.0	13.8
30,946	882,903	3,016	178.0	7.2	31,707	1,043,465	3,195	187.0	9.2
7,764	217,767	1,870	29.5	2.4	7,519	256,315	2,068	29.5	2.4
	3,627*					3,830*			
10,998	464,210	1,889	47.0	2.4	10,638	524,575	2,044	47.5	2.5
7,646	54,824	2,897	34.5	.6	7,412	20,532*	3,437	31.7	.5
1,219	4,902	2,046	2.6	.2	1,236	869	1,931	2.5	.4
	4,172*					4,497*			
7,350	392,422	1,889	38.6	—	6,997	522,470	2,021	43.7	—
	134,614*					141,695*			
25,656	789,700	1,924	98.6	3.6	25,217	1,019,509	2,091	106.3	—
16,061	298,565	2,840	94.7	.4	16,067	375,800	3,011	97.8	—
6,792	327,284	1,872	33.4	2.1	6,575	421,489	2,026	35.9	3.4
8,807	162,140*	2,688	39.0	.9	8,680	172,134*	2,813	44.5	2.2
5,629	277,120	1,916	27.8	1.0	5,483	410,198	2,051	33.8	1.0
	11,281*					12,269*			
30,153	2,067,879	1,966	166.7	—	29,613	2,390,702	2,114	173.8	—
17,863	953,532	2,802	159.6	—	17,701	687,869	2,967	129.9	—
13,865	264,691	1,919	42.7	2.0	13,578	413,165	2,080	49.3	3.5
8,647	159,197	2,795	51.0	2.0	8,382	167,799	2,819	53.0	2.5
11,351	210,785	1,857	35.5	1.5	10,781	265,749	2,000	36.6	1.5
25,492	1,049,520	1,898	114.6	7.2	24,726	1,466,515	2,058	131.0	9.2
16,669	153,358	2,834	89.1	1.8	16,426	400,634	3,002	96.7	2.0
816	5,930	1,977	2.0	1.0	716	23,186	1,893	3.0	1.0
1,504	70,920	1,901	7.3	—	1,455	78,335	2,028	7.4	—
	14,515*				781	46,131	3,151	5.4	—
1,453	38,867	1,775	5.2	—	1,330	85,820	1,888	8.1	—
1,806	52,865	2,810	7.4	—	1,790	39,736	3,031	7.7	—

SPECIAL EDUCATION

Name of Board		1975 Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
Boards of Education						
Dryden	Pub.	3,193	96,671	1,324	13.8	—
	Sec.					
East Parry Sound	Pub.	3,031	93,441	1,314	14.2	1.0
	Sec.					
Espanola	Pub.	1,128	69,060	1,328	6.9	—
	Sec.	989	6,696	1,674	.5	—
Fort Frances-Rainy River	Pub.	2,307	21,133	1,236	7.0	1.0
	Sec.					
Geraldton	Pub.	572	2,702	1,228	1.5	—
	Sec.					
Hearst	Pub.	236	3,101	1,000	1.0	—
	Sec.					
Hornepayne	Pub.	241	4,639	1,189	1.0	—
	Sec.					
Kapuskasing	Pub.	798	15,073	1,277	3.0	—
	Sec.					
Kenora	Pub.	2,134	69,536	1,859	10.8	—
	Sec.					
Kirkland Lake	Pub.	1,927	39,961	1,306	7.3	.1
	Sec.					
Lakehead	Pub.	12,954	171,512	1,331	40.9	.7
	Sec.					
Lake Superior	Pub.					
	Sec.					
Manitoulin	Pub.	1,196	15,396	1,232	4.0	—
	Sec.					
Michipicoten	Pub.	571	10,520	1,349	2.0	—
	Sec.					
Muskoka	Pub.	4,949	106,309	1,324	19.1	.7
	Sec.					
Nipigon-Red Rock	Pub.	648	7,797	1,322	2.0	—
	Sec.					
Nipissing	Pub.	6,258	158,771	1,335	26.0	1.4
	Sec.					
North Shore	Pub.	1,736	100,131	1,420	11.5	—
	Sec.					
Red Lake	Pub.	1,141	18,797	1,305	4.0	1.0
	Sec.					
Sault Ste. Marie	Pub.	9,316	191,435	1,370	35.0	2.4
	Sec.					
Sudbury	Pub.	13,531	199,176	1,298	45.5	—
	Sec.	15,092	15,092	1,887	1.0	—
Timiskaming	Pub.	2,845	29,217	1,238	8.9	.1
	Sec.					
Timmins	Pub.	3,032	119,295	1,346	16.0	—
	Sec.					
West Parry Sound	Pub.	2,549	33,267	1,363	8.0	—
	Sec.					

1978					1979				
Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
2,864	151,372	1,712	14.5	–	2,732	95,421	1,871	10.5	–
1,685	34,128	2,529	12.7	–	1,615	21,118	2,613	11.3	–
2,722	150,237	1,873	14.6	.3	2,589	164,533	1,960	14.7	.3
1,348	50,881	2,799	10.0	.1	1,318	71,354	2,901	11.8	.1
1,095	85,352	1,654	5.7	–	1,026	86,703	1,710	5.7	–
1,048	10,033*	2,475	5.3	–		10,735*			
2,070	37,915	1,780	7.0	1.0	2,011	23,489	1,882	6.0	1.0
1,341	15,802	2,263	9.0	–	1,299	5,664	2,484	8.0	–
497	2,127	1,934	1.2	–	482	21,661	2,043	2.2	–
476	8,765	1,889	2.7	–	461	10,697	2,116	4.0	–
252	9,508	1,285	1.6	–	237	4,942	1,311	1.2	–
831	45,870	1,265	5.5	–		15,919*			
202	8,952	1,790	1.0	–	209	11,795	2,214	1.0	–
	32,307*				2,044	33,620*	2,790	6.9	–
1,825	58,071	1,832	7.5	–	1,777	66,349	2,035	7.4	–
					1,346	4,267	2,540	7.6	–
1,513	54,449	1,858	6.5	–	1,401	72,240	2,013	7.0	–
1,555	19,456*	2,537	7.9	–	1,516	20,436	2,926	8.6	–
11,695	642,524	1,917	61.1	2.9	11,347	946,455	2,051	72.2	.1
9,136	400,228	2,673	76.3	1.3	8,897	441,019	2,826	76.3	.1
1,064	18,790	1,756	3.6	–	992	21,938	1,872	3.6	–
906	50,031	1,793	7.9	–	886	52,690	2,240	8.6	–
1,065	11,760	1,867	3.0	–	1,017	38,833	1,938	4.0	–
655	36,151	1,123	12.7	–	645	38,388	973	13.1	–
493	14,153	1,769	2.0	–	469	16,922	1,957	2.0	–
472	26,072	1,666	5.8	–	476	28,317	1,770	5.8	–
4,557	195,901	1,868	20.9	1.4	4,453	217,064	2,041	21.0	.1
2,776	72,567	2,750	18.4	.7	2,729	50,328*	2,888	15.9	–
622	24,779	1,835	2.7	–	563	42,024	2,186	3.3	–
456	17,967	2,719	3.5	–	446	7,074	2,816	3.0	–
5,459	311,290	1,879	29.5	1.4	5,114	335,753	2,014	29.5	3.2
	40,333*					42,477*			
1,924	149,979	1,488	14.6	–	1,946	116,225	2,370	9.0	–
1,025	79,701	1,849	6.2	–	990	83,695	1,482	7.2	–
8,042	463,797	1,859	43.5	1.5	7,592	593,595	1,974	46.8	1.5
6,725	209,201	2,709	43.6	1.5	6,704	341,650	2,914	49.5	1.5
11,115	742,014	1,820	69.6	–	10,650	978,294	2,000	77.4	–
14,799	730,014	2,752	131.5	–	14,243	742,793	2,869	121.1	–
2,583	75,797	1,844	10.2	–	2,510	110,686	2,049	11.3	–
2,543	32,291	2,768	12.0	–	2,507	80,534	2,972	13.3	–
2,845	114,529	1,925	12.5	–	2,736	131,468	2,035	13.0	–
3,614	199,601	2,656	33.6	–	3,593	168,107	2,882	30.7	–
2,188	51,447	1,762	8.2	–	2,026	121,035	1,836	12.1	–
1,392	76,888	1,901	15.6	–	1,351	80,392	2,092	15.6	–

SPECIAL EDUCATION

Name of Board	1975				
	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
Separate School Boards					
Metro Separate	85,286	1,389,308	1,462	261.4	17.4
Ottawa	23,068	608,752	1,339	96.5	12.0
Windsor	18,228	20,233	1,297	39.0	2.0
Brant	3,430	16,192	1,384	8.0	–
Bruce-Grey	2,872	59,287	1,372	10.5	1.0
Carleton	14,226	292,337	1,403	50.5	3.0
Dufferin-Peel	16,710	46,288	1,630	31.0	6.0
Durham	8,117	142,047	1,313	28.9	–
Elgin	1,715	5,232	1,308	4.0	–
Essex	9,836	183,055	1,368	34.5	4.0
Frontenac-Lennox and Addington	4,064	60,551	1,537	11.5	–
Haldimand-Norfolk	2,638	9,260	1,342	6.1	–
Halton					
Hamilton-Wentworth	22,311	173,353	1,401	58.0	3.0
Hastings-Prince Edward	3,856	98,160	1,341	16.0	–
Huron-Perth	2,978	23,136	1,285	8.3	–
Kent	5,488	6,092	1,324	12.0	1.5
Lambton	4,841	78,855	1,537	13.9	.7
Lanark-Leeds and Grenville	3,045	21,986	1,341	8.0	–
Lincoln	7,720	135,800	1,269	28.5	–
London and Middlesex	10,516	3,891	1,255	21.8	–
Oxford	2,015	34,142	1,328	7.0	1.0
Peterborough-Victoria Northumberland, etc.	6,056	105,987	1,335	21.2	–
Prescott and Russell	7,511	132,793	1,286	27.0	–
Renfrew	6,189	103,736	1,305	21.8	.1
Simcoe	5,470	81,004	1,350	17.7	–
Stormont, Dundas and Glengarry	9,604	414,430	1,400	50.2	–
Waterloo	16,265	153,543	1,489	42.0	2.2
Welland	11,365	149,339	1,292	36.8	–
Wellington					
York	5,729	100,776	1,534	17.5	2.0
Atikokan	345	2,394	1,226	1.0	–
Chapleau, Panet and Caverley	431	715	1,324	1.0	–
Cochrane-Iroquois Falls					
Dryden					
Fort-Frances-Rainy River					
Geraldton	629	22,069	1,219	3.1	–
Hearst					
Kapuskasing	3,459	46,423	1,152	11.0	–
Kenora	926	16,280	1,313	3.0	.4
Kirkland Lake	1,629	33,471	1,258	6.5	.1
Lakehead					

1978					1979				
Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
89,567	3,803,910	2,119	338.2	20.3	89,761	5,855,110	2,299	401.2	22.7
18,265	692,774	1,791	76.5	10.3	17,149	966,545	1,986	86.0	9.3
15,979	361,126	1,921	53.5	2.0	15,359	385,200	2,075	52.5	2.0
3,484	172,418	2,019	12.6	–	3,438	154,004	2,097	13.0	–
3,368	137,766	2,163	13.3	2.0	3,414	145,248	2,256	13.7	3.0
15,579	742,640	2,107	68.7	7.3	15,613	571,890	2,232	58.8	5.0
23,542	788,883	2,393	70.1	19.0	26,137	935,176	2,536	78.1	16.7
8,138	319,182	2,038	33.3	–	8,174	268,278	2,189	29.8	2.0
1,545	16,459	1,936	4.0	–	1,523	18,872	2,114	4.1	–
9,881	410,666	2,002	42.5	3.0	9,887	511,279	2,189	45.5	5.1
4,165	150,953	2,043	13.8	.2	4,197	160,829	2,156	13.7	.2
2,545	30,417	1,855	7.3	.2	2,479	40,855	2,039	7.5	1.0
					8,848	110,951	2,297	22.0	3.0
21,103	907,202	1,969	91.0	2.5	20,694	1,163,209	2,178	97.0	3.0
3,709	204,665	1,976	19.0	.2	3,616	226,180	2,096	19.3	.2
2,579	40,185	1,802	8.2	–	2,449	83,483	1,949	10.2	–
5,265	66,334	1,934	14.7	2.0	5,196	192,513	2,101	20.9	2.0
5,231	204,480	2,045	20.3	1.7	5,225	248,074	2,192	21.4	1.0
2,740	135,946	1,928	13.5	1.5	2,711	96,240	2,136	10.5	.6
7,527	349,994	1,932	35.7	1.0	7,289	399,531	2,057	36.9	1.0
10,272	362,923	2,006	40.0	3.0	10,168	409,668	2,190	40.4	3.0
1,897	34,248	1,892	6.0	1.0	1,944	92,052	2,193	8.0	1.0
5,577	147,725	1,936	20.0	–	5,480	224,697	2,127	21.9	–
6,950	436,061	1,895	40.2	1.0	6,795	406,884	2,096	34.1	1.0
5,231	341,713	1,824	32.0	–	4,962	388,008	1,997	32.0	–
5,421	126,041	1,957	18.2	2.0	5,370	122,541	2,120	17.4	1.6
8,305	647,266	1,824	55.9	–	8,015	582,712	2,034	48.4	.5
15,814	564,866	1,959	54.5	2.2	15,577	627,597	2,126	57.5	3.0
10,804	842,094	1,835	73.0	–	10,522	852,411	2,118	66.2	–
4,742	4,884	2,035	9.8	–	4,636	121,456	2,125	15.8	.4
8,163	429,375	2,316	32.7	2.0	8,724	497,781	2,415	34.3	3.0
					268	13,170	1,748	1.5	–
1,766	33,245	1,911	5.6	–	1,662	32,072	2,052	5.1	–
382	19,196	1,828	2.0	–	391	22,971	2,122	2.0	–
404	6,507	1,384	1.2	–					
635	6,846	1,630	2.0	–	626	32,013	1,791	3.5	–
1,386	54,723	1,855	6.0	.4	1,332	49,529	2,030	5.3	.4
2,803	123,402	1,828	13.6	–	2,637	163,811	1,975	15.0	–
843	65,691	1,450	6.3	.4	864	73,002	1,671	6.0	.3
1,428	68,794	1,906	7.0	–	1,423	103,060	2,174	8.1	–
6,433	177,100	1,988	22.8	4.3	6,456	268,310	2,154	26.8	4.3

SPECIAL EDUCATION

Name of Board	1975				
	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
Separate School Boards					
Nipissing	9,314	9,407	1,447	19.9	1.0
North Shore	3,059	75,354	1,187	14.1	—
North of Superior					
Sault Ste. Marie	7,238	40,825	1,313	18.5	—
Sudbury	22,874	425,679	1,292	85.0	3.0
Timiskaming	2,076	39,777	1,275	7.9	—
Timmins	5,002	97,695	1,289	19.0	—

NOTES:

The 1978 and 1979 "special education weighting factors" for secondary school purposes are for both special education and occupational programs. In 1975, the occupational component was included in the "technical and occupational weighting factor".

The weighting factor is based on the number of teachers in the program and recognizes that special education classes are one-third the normal size; occupational programs, two-thirds the normal size. With an average class size of 27 elementary and 24 secondary, the special education class averages nine pupils elementary and eight secondary for each teacher. Occupational pupils are expressed in terms of special education equivalents. The above is reflected in the "cash value for each full-time equivalent special education pupil".

The weighting factor recognizes situations in excess of a basic level which is provided within the normal grants ceilings. Data for "cash value for each full-time equivalent special

1978					1979				
Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent special ed. pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
8,215	65,059	1,897	21.2	1.0	7,742	77,418	2,003	21.0	1.0
2,846	148,964	1,869	14.7	—	2,821	100,138	2,049	11.4	—
1,128	61,977	1,895	6.0	1.0	1,080	61,776	1,922	6.0	1.0
6,879	138,469	1,967	21.8	2.0	6,690	206,379	2,101	22.7	2.0
21,522	1,241,152	1,977	113.2	3.0	20,785	1,390,944	2,106	116.1	4.4
1,757	136,915	690	22.3	—	1,667	140,951	865	17.7	—
4,823	216,119	2,003	21.1	—	4,765	284,645	2,168	23.6	—

education pupil" relate to that part of the program recognized by the weighting factor, while the "number of full-time equivalent teachers" is all teachers in the program (including the basic level under the regular grants ceilings).

Where in 1978 or 1979, data result in a reduction in the factor, the factor was guaranteed in relation to a previous year. The amounts shown as "cash value of weighting factor" includes the guarantee which is designated by an asterisk. The "cash value for each full-time equivalent special education pupil" is calculated on the part of the factor that is other than the guarantee. The source of the "number of consultants or administrators in the program" is a report from boards on professional staff other than teachers. Shown are those providing educational services in the areas of psychology, psychiatry and speech.

WEIGHTING FACTORS

243. Mr. Bounsall: Will the ministry provide the precise detail requested in question 189 and omitted in its reply tabled on May 31, 1979, as well as providing further information regarding staffing, not requested at that time? Will the ministry for 1975, 1978 and 1979 estimated, provide the following table containing the following information on the occupations weighting factor: board name, number of full-time equivalent pupils, cash value of weighting factor, cash value for each full-time equivalent pupil enrolled in an occupations class, number of full-time equivalent teachers, number of consultants or administrators directly involved in the program? (Tabled June 8, 1979.)

Answer tabled by Hon. Miss Stephenson:

TECHNICAL AND OCCUPATIONAL

Name of Board	1975				1978				1979			
Boards of Education—Secondary	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical or occupational pupil	Number of full-time equivalent teachers technical or occupational	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical pupil	Number of full-time equivalent teachers —technical	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical pupil	Number of full-time equivalent teachers —technical
Hamilton	18,982	336,344	160	176	18175	187,207	742	109	17,568	362,253	810	117
London	17,060	452,269	212	175	17,623	729,926	741	152	17,206	842,749	758	161
Ottawa	25,005	154,784	67	207								
Windsor	12,988	187,161	144	111					12,437	2,363	787	63
Dufferin	1,903	6,564	38	15	2,261	61,598	733	17	2,304	35,165	791	15
Durham	15,792	150,181	103	128								
Elgin	4,551	49,155	118	36	4,803	68,052	764	29	4,792	54,149	833	28
Essex	8,258	216,533	208	85	8,405	146,921	738	55	8,461	140,877	805	54
Frontenac	7,797	80,872	109	65	8,091	227,850	764	59	7,981	212,063	825	56
Grey	5,253	13,606	31	39	5,558	31,682	772	30	5,534	39,459	857	30
Haldimand	2,604	29,998	106	24	2,595	54,436	663	20	2,571	56,082	709	20
Haliburton	635	7,222	120	5	618	21,383	712	5	591	20,399	755	5
Halton	19,548	202,712	116	153								

	1975				1978				1979			
	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical or occupational pupil	Number of full-time equivalent teachers technical or occupational	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical pupil	Number of full-time equivalent teachers —technical	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical pupil	Number of full-time equivalent teachers —technical
Hastings					8,057	45,962	665	50	7,676	19,727	680	47
Huron	4,245	82,565	167	41	4,293	106,674	697	33	4,270	92,267	762	30
Kent	7,486	11,828	18	60	7,510	4,130	688	42				
Lambton	8,961	54,215	69	70								
Lanark	2,027	11,960	41	25								
Leeds and Grenville	6,042	4,350	9	43	6,375	3,506	701	31	6,260	74,431	827	37
Lennox and Addington	2,351	3,386	16	18	2,643	47,681	745	17	2,632	27,137	822	15
Middlesex	4,188	121,858	227	43	4,275	67,678	743	27	4,265	86,234	805	28
Niagara South	14,538	368,687	960	59	14,194	125,335	750	82	13,836	150,808	815	81
Norfolk					3,947	65,361	751	25	3,909	61,210	816	24
Northumberland and Newcastle									8,014	49,205	848	43
Oxford	5,854	75,863	126	52	6,212	117,781	755	41	6,124	92,285	788	39
Peel	26,341	261,825	119	193	30,946	22,590	868	145				
Peterborough	7,451	115,943	148	67	7,646	102,691	749	47	7,412	139,576	793	49

Prince Edward	1,451	51,830	259	16	1,419	74,969	720	14	1,419	89,442	820	14
Renfrew	7,311	117,922	143	70	7,312	32,246	701	42	7,146	43,873	769	42
Simcoe	14,681	118,332	91	115					16,067	194,246	599	101
Stormont, Dundas and Glengarry					8,807	61,562	732	51	8,680	82,551	778	53
Victoria					3,065	25,382	746	17	3,098	37,458	814	18
Waterloo	17,027	429,255	209	169	17,863	85,385	755	96				
Atikokan	619	5,887	103	5	561	23,135	722	5	487	24,038	707	5
Central Algoma	751	44,037	326	10	788	54,427	800	8	781	38,238	869	6
Cochrane-Iroquois Falls	1,768	57,321	240	19	1,806	86,440	751	16	1,790	96,889	835	16
Dryden	1,709	57,378	243	19	1,685	16,129	701	10	1,615	4,795	799	9
East Parry Sound	1,220	37,615	235	13	1,348	15,140	757	8	1,318	14,632	812	8
Espanola	989	26,083	186	11	1,048	50,565	692	10	1,041	50,167	727	10
Fort Frances-Rainy River	1,504	646	196	12	1,341	7,405	617	9	1,299	10,810	720	8
Geraldton	534	8,845	9	6	476	15,160	522	5	461	13,256	602	4
Hearst	738	40,425	303	10	831	53,818	779	8	803	56,992	825	8
Kapuskasing	2,267	14,034	68	18	2,114	30,341	705	14	2,044	33,232	772	13
Kirkland Lake	1,710	9,115	61	13	1,555	28,632	715	11	1,516	65,827	802	13
Lakehead	9,224	3,966	5	68	9,136	38,643	729	51	8,897	29,982	789	50
Manitoulin	613	29,858	192	12	655	11,441	544	6	645	17,913	639	6
Michipicoten	536	21,000	238	7	472	1,128	1,128	3	476	2,170	723	3
Muskoka	2,596	67,706	217	25	2,776	50,080	747	18	2,729	19,459	810	15
Nipigon-Red Rock	478	27,405	297	7	456	7,722	772	3	446	7,783	778	3

	1975				1978				1979			
	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical or occupational pupil	Number of full-time equivalent teachers technical or occupational	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical pupil	Number of full-time equivalent teachers —technical	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent technical pupil	Number of full-time equivalent teachers —technical
Nipissing	7,067	4,028	6	54					6,910	1,312	1,312	37
North Shore	1,609	65,133	316	17	1,762	91,153	779	16	1,839	129,100	872	18
Sault Ste. Marie	6,714	134,411	175	64	6,725	138,593	737	46	6,704	155,539	805	46
Sudbury	15,092	226,090	144	134	14,799	65,261	758	80				
Timiskaming					2,543	85,177	760	19	2,507	105,883	820	20
Timmins	3,537	15,281	48	29	3,614	49,873	733	23				
West Parry Sound	1,307	38,250	222	14	1,392	2,561	853	7				

Notes:

The 1975 factor was in respect of both technical and occupational programs. In 1978 and 1979, the occupational component was included in the "special education weighting factor." The weighting factor is based on the number of teachers in the program and recognizes that technical and occupational classes are two thirds the normal size. With an average class size of 24 secondary, the factor is based on 16 pupils for each teacher in the program. This is reflected in the "cash value of each full-time technical or occupational pupil".

The weighting factor recognizes situations in excess of a basic level which is provided within the normal grants ceiling. Data for "cash value for each full-time equivalent technical or occupational pupil" relate to that part of the program recognized by the weighting factor, while the "number of full-time equivalent teachers" is all teachers in the program (including those within the basic level under the regular grants ceilings).

The report from boards on professional staff other than teachers does not include any personnel who can be assumed to be consultants or administrators in the technical and occupational program.

WEIGHTING FACTORS

244. Mr. Bounsall: Will the ministry provide the precise detail requested in question 188 and omitted in its reply tabled on May 31, 1979, as well as providing further information regarding staffing, not requested at that time? Will the ministry for 1975, 1978 and 1979 estimated, provide the following table containing the following information on the compensatory education weighting factor: board name, number of full-time equivalent pupils, cash value of weighting factor, cash value for each full-time equivalent pupil enrolled in a compensatory education class, number of full-time equivalent teachers, number of consultants or administrators directly involved in the program? (Tabled June 8, 1979.)

Answer tabled by Hon. Miss Stephenson:

COMPENSATORY EDUCATION		1975					
Name of Board Boards of Education		Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils
Hamilton	Pub.	29,681	1,099,383	37.04	91.6	1.6	25,973
	Sec.	18,982	547,034	28.82	36.5	.4	18,175
London	Pub.	27,774	513,630	18.52	42.8	2.5	24,881
	Sec.	17,060	245,839	14.41	16.4	2.5	17,623
Metro Toronto	Pub.	229,753	10,637,568	46.30	888.5	27.4	194,123
	Sec.	140,366	5,053,809	36.02	336.9	29.1	143,205
Ottawa	Pub.	21,090	585,887	27.78	48.8	4.5	17,500
	Sec.	25,005	540,370	21.61	36.0	4.5	23,412
Windsor	Pub.	15,958	443,312	27.78	36.9	1.0	13,932
	Sec.	12,988	280,677	21.61	18.7	1.0	12,790
Frontenac	Pub.	12,004	222,318	18.52	18.5	1.3	10,311
	Sec.	7,797	112,378	14.41	7.5	1.7	8,091
Haliburton	Pub.	1,526	28,263	18.42	2.4	.3	1,408
	Sec.	635	9,146	14.41	.6	.1	618
Lanark	Pub.					—	4,825
	Sec.					—	3,461
Lincoln	Pub.	20,683	383,056	18.52	31.9	.2	19,060
	Sec.	13,050	188,055	14.41	12.5	.8	13,080
Niagara South	Pub.	21,089	390,577	18.52	32.5	1.8	18,640
	Sec.	14,538	209,494	14.41	14.0	1.2	14,194
Prescott & Russell	Pub.	1,031	19,102	18.52	1.6	.1	1.219
	Sec.	4,304	62,025	14.41	4.1	1.2	4.483
Prince Edward	Pub.	3,371	62,439	18.52	5.2	.6	
	Sec.	1,451	20,903	14.41	1.4	.4	
Renfrew	Pub.	8,432	156,155	18.52	13.0	1.0	7,350
	Sec.	7,311	105,348	14.41	7.0	1.0	7,312
Stormont, Dundas & Glengarry	Pub.	7,639	141,474	18.52	11.8	—	6,792
	Sec.	8,731	125,810	14.41	8.4	—	8,807
Waterloo	Pub.	30,474	564,373	18.52	47.0	2.5	30,153
	Sec.	17,027	245,361	14.41	16.4	2.5	17,863
Atikokan	Pub.	936	26,002	27.78	2.2	—	816
	Sec.	619	13,378	21.61	.9	—	561
Central Algoma	Pub.	1,637	30,308	18.52	2.5	.5	1,504
	Sec.	751	10,821	14.41	.7	.5	788
Chapleau	Pub.	368	6,819	18.52	.6	—	297
	Sec.	382	5,487	14.41	.4	—	317
Cochrane-Iroquois Falls	Pub.	1,780	49,449	27.78	4.1	2.0	1,453
	Sec.	1,768	38,208	21.61	2.5	2.0	1,806
Dryden	Pub.	3,192	88,690	27.78	7.4	.1	2,864
	Sec.	1,709	36,936	21.61	2.5	.4	1,685
East Parry Sound	Pub.	3,031	56,131	18.52	4.7	.7	2,722
	Sec.	1,220	17,581	14.41	1.2	.3	1,348
Espanola	Pub.						
	Sec.						
Fort Frances-Rainy River	Pub.	2,307	42,729	18.52	3.6	.1	2,070
	Sec.	1,504	21,666	14.41	1.4	.9	1,341
Geraldton	Pub.	572	10,605	18.52	.9	—	497
	Sec.	534	7,692	14.41	.5	—	476

1978				1979				
Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
1,349,553	51.96	75.1	—	24,660	1,389,772	56.35	71.3	—
669,221	36.82	29.9	—	17,568	696,750	39.66	28.9	—
646,409	25.98	36.0	3.5	24,185	681,505	28.17	35.0	3.5
324,431	18.41	14.5	3.5	17,206	341,194	19.83	14.1	3.5
10,086,626	51.96	561.6	66.6	180,189	10,154,984	56.35	521.3	62.2
5,272,806	36.82	235.4	39.4	136,262	5,404,168	39.66	224.0	40.8
681,987	38.97	38.0	5.5	16,379	692,306	42.26	35.5	5.5
646,400	27.61	28.9	4.5	22,273	662,390	29.74	27.5	4.5
723,889	51.96	40.3	—	13,423	756,492	56.35	38.8	.8
460,910	36.82	21.0	—	12,442	493,449	39.66	20.4	1.2
267,888	25.98	14.9	1.0	9,983	281,301	28.17	14.4	1.5
148,960	18.41	6.6	2.0	7,981	158,269	19.83	6.5	1.5
36,570	25.98	2.0	.3	1,352	38,102	28.17	2.0	2.3
11,374	18.41	.5	.1	591	11,725	19.83	.5	.1
125,348	25.98	7.0	.5	4,693	132,235	28.17	6.8	.6
63,713	18.41	2.8	.5	3,437	68,147	19.83	2.8	.4
495,181	25.98	27.6	1.0	18,140	511,121	28.17	26.2	.5
240,803	18.41	10.7	—	12,785	253,536	19.83	10.5	.5
484,256	25.68	27.0	1.8	17,767	500,657	28.17	25.7	1.8
261,316	18.41	11.7	1.2	13,836	274,360	19.83	11.4	1.2
31,685	25.98	1.8	.2	1,236	34,836	28.17	1.8	.1
82,528	18.41	3.7	1.5	4,575	90,371	19.83	3.8	1.5
190,955	25.98	10.6	1.0	6,997	197,175	28.17	10.0	1.0
134,614	18.41	6.0	1.2	7,146	141,695	19.83	5.9	1.2
176,444	25.98	9.8	1.8	6,575	185,283	28.17	9.5	.8
162,140	18.41	7.2	2.2	8,860	172,134	19.83	7.1	1.2
783,369	25.98	43.6	2.5	29,613	834,494	28.17	42.8	2.5
328,859	18.41	14.7	2.5	17,701	351,014	19.83	14.5	2.5
31,787	38.97	1.8	.5	716	30,242	42.26	1.6	.5
15,492	27.61	.7	.5	487	14,480	29.74	.6	.5
39,077	25.98	2.2	.3	1,455	41,013	28.17	2.1	.4
14,515	18.41	.6	.3	781	15,481	19.83	.6	.6
7,716	25.98	.4	—	280	7,901	28.17	.4	.1
5,838	18.41	.3	—	282	5,590	19.83	.2	—
56,623	38.97	3.2	.5	1,330	56,215	42.26	2.9	8.0
49,866	27.61	2.2	.5	1,790	53,233	29.74	2.2	2.0
148,795	51.96	8.3	.1	2,732	192,416	70.44	9.9	.1
62,055	36.82	2.8	.4	1,615	83,232	51.55	3.4	.4
60,709	25.98	3.9	.7	2,589	72,966	28.17	3.7	.7
24,820	18.41	1.1	.3	1,318	26,139	19.83	1.1	.3
				1,026	28,901	28.17	1.5	.4
				1,041	20,647	19.83	.9	.6
80,671	38.97	4.5	.1	2,010	84,947	42.26	4.4	.1
37,038	27.61	1.7	.4	1,299	38,640	29.74	1.6	.4
12,914	25.98	.7	—	482	13,582	28.17	.7	—
8,765	18.41	.4	—	161	9,143	19.83	.4	—

		1975					
		Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils
Hearst	Pub.	236	4,371	18.52	.4	.2	252
	Sec.	738	10,639	14.41	.7	.8	831
Hornepayne	Pub.	241	4,461	18.52	.4	—	202
	Sec.	107	1,544	14.41	.1	—	96
Kapuskasing	Pub.	798	22,167	27.78	1.8	.6	675
	Sec.	2,267	48,995	21.61	3.3	1.4	2,114
Kenora	Pub.	2,134	98,789	46.30	8.2	.5	1,825
	Sec.	1,611	58,019	36.02	3.9	.5	1,499
Kirkland Lake	Pub.	1,927	35,683	18.52	3.0	—	1,513
	Sec.	1,710	24,643	14.41	1.6	—	1,555
Lakehead	Pub.	12,954	359,864	27.78	30.0	1.2	11,695
	Sec.	9,225	199,318	21.61	13.3	1.8	9,136
Lake Superior	Pub.	1,153	21,358	18.52	1.8	—	1,064
	Sec.	943	13,584	14.41	.9	—	906
Manitoulin	Pub.	1,196	55,388	46.30	4.6	—	1,065
	Sec.	613	22,084	36.02	1.5	—	655
Michipicoten	Pub.	571	10,577	18.52	.9	.3	493
	Sec.	536	7,721	14.41	.5	.3	472
Muskoka	Pub.	4,949	91,659	18.52	7.6	—	
	Sec.	2,596	36,409	14.41	2.5	—	
Nipigon-Red Rock	Pub.	648	12,003	18.52	1.0	.5	555
	Sec.	478	6,886	14.41	.5	.5	456
Nipissing	Pub.	6,258	115,902	18.52	9.7	.4	5,459
	Sec.	7,067	101,834	14.41	6.8	3.6	7,076
North Shore	Pub.	1,736	32,150	18.52	2.7	1.0	1,924
	Sec.	1,609	23,180	14.41	1.5	1.0	1,762
Red Lake	Pub.	1,141	42,249	37.04	3.5	—	1,025
	Sec.	466	13,439	28.82	.9	—	442
Sault Ste. Marie	Pub.	9,316	172,524	18.82	14.4	1.0	8,042
	Sec.	6,714	96,746	14.41	6.4	1.0	6,725
Sudbury	Pub.	13,531	250,594	18.52	20.9	1.5	11,115
	Sec.	15,092	217,487	14.41	14.5	1.5	14,799
Timiskaming	Pub.	2,845	52,688	18.52	4.4	.8	2,583
	Sec.	2,575	37,111	14.41	2.5	.2	2,543
Timmins	Pub.	3,032	84,219	27.78	7.0	.5	2,845
	Sec.	3,537	76,443	21.61	5.1	.5	3,614
West Parry Sound	Pub.	2,549	47,211	18.52	3.9	—	2,188
	Sec.	1,307	18,843	14.41	1.3	1.0	1,392
Separate School Boards							
Metro Separate		85,286	3,948,741	46.30	329.1	16.0	89,567
Ottawa		23,068	640,816	27.78	53.4	4.0	18,265
Windsor		18,228	506,390	27.78	42.2	3.0	15,979
Frontenac-Lennox and Addington		4,064	63,964	15.74	5.3	.5	4,165
Hamilton-Wentworth		22,311	702,338	31.48	58.5	3.0	21,103
Hastings-Prince Edward		3,856	7,132	1.85	.6	—	3,709
Lanark, Leeds & Grenville							2,740
Lincoln		7,720	142,979	18.52	11.9	—	7,527
London and Middlesex		10,516	155,773	14.81	13.0	3.6	10,272
Prescott and Russell						—	6,950

1978				1979				
Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
6,535	25.98	.4	.2	237	10,022	42.26	.5	.2
15,290	18.41	.7	.8	803	23,875	29.74	1.0	.8
5,236	25.98	.3	—	209	5,883	28.17	.3	—
1,775	18.41	.1	—	108	2,145	19.83	.1	—
26,300	38.97	1.5	—	630	26,625	42.26	1.4	—
58,377	27.61	2.6	—	2,044	60,782	29.74	2.5	—
118,533	64.95	6.6	.5	1,777	125,210	70.44	6.4	.5
68,984	46.02	3.1	.5	1,346	66,736	49.57	2.8	.5
39,316	25.98	2.2	.5	1,401	39,479	28.17	2.0	.5
28,632	18.41	1.3	.5	1,516	30,063	19.83	1.2	.5
455,755	38.97	25.4	.6	11,347	497,637	42.26	25.5	.6
252,232	27.61	11.3	4.4	8,897	264,593	29.74	11.0	3.4
27,642	25.98	1.5	—	992	27,950	28.17	1.4	—
16,677	18.41	.7	—	886	17,563	19.83	.7	—
69,191	64.95	3.9	.1	1,017	71,661	70.44	3.7	.2
30,122	46.02	1.3	.1	645	31,987	49.57	1.3	.2
12,812	25.98	.7	.3	469	13,221	28.17	.7	.3
8,690	18.41	.4	.3	476	9,439	19.83	.4	.3
14,408	25.98	.8	—	563	15,859	28.17	.8	—
8,397	18.41	.4	—	446	8,845	19.83	.4	—
141,833	25.98	7.9	1.4	5,114	144,112	28.17	7.4	2.4
130,269	18.41	5.8	1.6	6,910	137,023	19.83	5.7	1.6
49,993	25.98	2.8	.7	1,946	54,829	28.17	2.8	.7
32,440	18.41	1.4	.3	1,839	36,473	19.83	1.5	.3
66,417	64.95	3.7	.1	990	69,745	70.44	3.6	.1
20,324	46.02	.9	.2	420	20,798	49.57	.9	.2
208,936	25.98	11.6	1.5	7,592	213,920	28.18	11.0	1.5
123,799	18.41	5.5	1.5	6,704	132,945	19.83	5.5	1.5
288,758	25.98	16.1	2.0	10,650	300,093	28.18	15.4	1.8
272,442	18.41	12.2	2.0	14,243	282,446	19.83	11.7	2.2
67,094	25.98	3.7	.2	2,510	70,735	28.17	3.6	.2
46,809	18.41	2.1	.3	2,507	49,719	19.83	2.1	.3
110,859	38.97	6.2	.4	2,736	115,661	42.26	5.9	.4
99,782	27.61	4.5	.6	3,593	106,850	29.74	4.4	.6
56,852	25.98	3.2	.6	2,026	57,088	28.17	2.9	.6
25,629	18.41	1.1	.4	1,351	26,797	19.83	1.1	.4
4,653,901	51.96	259.1	20.0	89,761	5,058,929	56.36	259.7	20.9
711,769	38.97	39.6	5.0	17,149	724,909	42.27	37.2	4.0
830,271	51.96	46.2	4.0	15,359	865,626	56.36	44.4	4.0
97,386	23.38	5.4	.5	4,197	106,435	25.36	5.5	.5
931,893	44.16	51.9	3.0	20,694	991,242	47.90	50.9	3.0
4,782	1.29	.3	—	3,616	5,062	1.40	.3	—
32,027	11.69	1.8	—	2,711	34,375	12.68	1.8	—
195,545	25.98	10.9	.4	7,289	205,415	28.18	10.5	.5
213,460	20.78	11.9	2.0	10,168	229,186	22.54	11.8	2.0
180,565	25.98	10.1	3.0	6,795	191,483	28.18	9.8	3.0

	1975					
	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils
Renfrew	6,189	114,630	18.52	9.6	.1	5,231
Stormont, Dundas and Glengarry	9,604	177,873	18.52	14.8	1.0	8,305
Waterloo	16,265	301,230	18.52	25.1	2.0	15,814
Welland	11,365	210,484	18.52	17.5	1.0	10,804
Atikokan	345	9,585	27.78	.8	—	323
Chapleau, Panet and Caverley	431	7,983	18.52	.7	—	382
Cochrane-Iroquois Falls	2,058	57,182	27.78	4.8	—	1,766
Dryden	426	11,835	27.78	1.0	—	382
Fort Frances-Rainy River	455	8,434	18.52	.7	—	404
Geraldton	629	11,648	18.52	1.0	—	635
Hearst	1,598	29,594	18.52	2.5	—	1,386
Kapuskasing	3,459	96,099	27.78	8.0	—	2,803
Kenora	926	42,845	46.30	3.6	.5	843
Kirkland Lake	1,629	30,165	18.52	2.5	.1	1,428
Lakehead	6,478	179,961	27.78	15.0	1.0	6,433
Michipicoten	592	10,972	18.52	.9	.3	544
Nipissing	9,314	172,499	18.52	14.4	.2	8,215
North Shore	3,059	56,661	18.52	4.7	1.1	2,846
North Superior						1,128
Sault Ste.Marie	7,238	134,059	18.52	11.2	1.0	6,879
Sudbury	22,874	423,620	18.52	35.3	1.2	21,522
Timiskaming	2,076	38,449	18.52	3.2		1,757
Timmins	5,002	138,965	27.78	11.6	1.0	4,823

1978				1979				
Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program	Number of full-time equivalent pupils	Cash value of weighting factor	Cash value for each full-time equivalent pupil	Number of full-time equivalent teachers	Number of consultants or administrators in program
135,890	25.98	7.6	3.0	4,962	139,839	28.18	7.2	3.0
215,755	25.98	12.0	1.0	8,015	225,871	28.18	11.6	1.5
410,840	25.98	22.9	3.0	15,577	438,959	28.18	22.5	3.0
280,698	25.98	15.6	—	10,522	296,518	28.18	15.2	—
12,569	38.97	.7	—	268	11,322	42.27	6	—
9,928	25.98	.6	—	385	10,847	28.18	.6	—
68,804	38.97	3.8	.3	1,662	70,244	42.27	3.6	—
19,841	51.96	1.1	—	391	27,545	70.45	1.4	—
15,751	38.97	.9	—	378	15,961	42.27	.8	—
16,501	25.98	.9	—	626	17,640	28.18	.9	.1
36,010	25.98	2.0	.2	1,332	56,295	42.27	2.9	.2
109,221	38.97	6.1	—	2,637	111,449	42.27	5.7	—
54,743	64.95	3.0	.1	864	60,835	70.45	3.1	—
37,088	25.98	2.1	1.0	1,423	40,102	28.18	2.1	—
250,693	38.97	14.0	1.0	6,456	272,894	42.27	14.1	1.0
14,379	25.98	.8	.3	559	15,754	28.18	.8	.3
213,414	25.98	11.9	—	7,742	218,186	28.18	11.2	.2
73,491	25.98	4.1	2.0	2,821	79,490	28.18	4.1	2.0
29,308	25.98	1.6	—	1,080	30,434	28.18	1.6	—
178,710	25.98	9.9	2.0	6.690	188,518	28.18	9.7	2.0
559,132	25.98	31.1	2.0	20,785	585,726	28.18	30.1	2.2
45,638	25.98	2.5	—	1,667	46,983	28.18	2.4	—
187,952	38.97	10.5	1.0	4,765	201,405	42.27	10.3	1.0

Notes:

The "compensatory factor" relates to conditions such as welfare benefits, income levels, public housing and population with neither French nor English as the mother tongue. The conditions are assumed to apply throughout the total geographical area served by the board. There is no formal identification process for pupils requiring compensatory services, hence, there are no compensatory classes as such. Consequently, the calculation of the "cash value" for each full-time equivalent pupil" includes all pupils within the board's area.

The "number of full-time equivalent teachers" is the equivalent of the "cash value of weighting factor" in numbers of teachers.

The source of the "number of consultants or administrators in the program" is the report from boards on professional staff other than teachers. Shown are those providing education services in the area of social work and in attendance counselling.

SCHOOL BOARD FUNDING

245. Mr. Grande: Would the ministry please calculate for 1979 the estimated financial impact on the six area boards (on both general legislative grants and mill rates) of the elimination of the Metro Toronto School Board, and provide the information in a format similar to tables 17.1 and 17.2 of the report of the Royal Commission on Metropolitan Toronto, volume two, pages 326 and 327? (Tabled June 8, 1969.)

Answer tabled by Hon. Miss Stephenson:

ESTIMATED IMPACT OF THE ABOLITION OF THE METROPOLITAN TORONTO SCHOOL BOARD ON THE ALLOCATION OF 1979 PROVINCIAL EDUCATION GRANTS

Municipality	As allocated by Metro Board		As allocated by provincial formula		Gain (or loss) if allocated by provincial formula		
	Gross	Per Pupil	Gross	Per Pupil	Gross	Per cent	Per Pupil
Elementary							
Toronto	(11,803,225)	(252.66)	2,441,346	52.26	14,244,571	N/A	304.92
North York	24,864,095	544.68	26,229,284	574.59	1,365,189	5.49	29.91
Scarborough	49,607,950	1,064.56	44,214,218	948.81	(5,393,732)	(10.87)	(115.75)
Etobicoke	4,101,744	173.60	8,257,535	349.49	4,155,791	101.32	175.89
York	12,285,990	1,157.82	9,186,469	865.72	(3,099,521)	(25.23)	(292.10)
East York	5,586,462	673.77	4,514,309	544.46	(1,072,153)	(19.19)	(292.10)
Total	84,643,016	466.37	94,843,161	522.57	10,200,145	12.05	56.20
Secondary							
Toronto	(8,201,210)	(226.30)	1,626,426	44.87	9,827,636	N/A	271.17
North York	20,144,127	580.41	22,896,231	659.70	2,752,104	13.66	79.29
Scarborough	52,090,102	1,536.14	43,568,862	1,284.85	(8,521,240)	(16.36)	(251.29)
Etobicoke	10,963,682	536.32	12,806,018	626.45	1,842,336	16.80	90.13
York	10,889,048	1,324.34	8,832,461	1,074.62	(2,056,587)	(18.89)	(250.22)
East York	2,002,427	396.18	2,735,252	541.17	732,825)	36.60	144.99
Total	87,888,176	634.24	92,465,250	667.27	4,577,074	5.21	33.03

ESTIMATED IMPACT OF THE ABOLITION OF THE METROPOLITAN TORONTO SCHOOL BOARD ON 1979 EDUCATIONAL MILL RATES

Municipality	Mill rates under Metro board			Mill rates without Metro board			Tax increase (decrease) without Metro board	
	Elementary	Secondary	Total	Elementary	Secondary	Total	Total Mills	Per cent
Toronto	49.12	41.89	91.01	43.99	38.65	82.64	(8.37)	(9)
North York	48.68	41.60	90.28	47.89	40.12	88.01	(2.27)	(3)
Scarborough	48.15	41.10	89.25	53.59	48.69	102.28	13.03	15
Etobicoke	49.23	42.06	91.29	45.16	40.50	85.66	(5.63)	(6)
York	48.73	41.76	90.49	60.60	48.02	108.62	18.13	20
East York	49.31	42.14	91.45	53.37	39.64	93.01	1.56	2
Metro-wide Basis	48.89	41.74	90.63	47.41	41.15	88.56	(2.07)	(2)

LEGAL ACTIONS AGAINST BOARDS AND COMMISSIONS

247. Mr. Isaacs: Will the ministry table a list of all legal actions brought against any provincial board or commission during the last three years? Will the ministry categorize these legal actions by their nature (e.g. denial of natural justice)? Will the ministry also include on the list the names of the plaintiff(s) bringing the action, the board or commission involved, the date when the action commenced, the date of any court decisions on each of the cases, and the final decision arrived at on each action? (Tabled June 8, 1979.)

Hon. Mr. McMurtry: There was an exchange of correspondence between the Attorney General and Mr. Isaacs in respect of clarification of the question. However, the information requested is not available in this ministry. Records are kept by type of action and numbers of same and they indicate that in 1978 there were 276 applications for judicial review and this ministry intervened in 114. In 1977, there were 257 applications for judicial review and this ministry intervened on 141 occasions.

COMMUNITY RESOURCE CENTRES

249. Mr. Dukszta: Would the Ministry of Correctional Services table in the House figures, for each of the years 1975-79 inclusive, pertaining to the community resource centres operated under the Ministry of Correctional Services as to: 1. the number and location of these centres; 2. the number of residents; 3. the number of available beds; 4. the length of any waiting list for those beds; 5. the mean, mode, and median length of resident stay in such centres; 6. the discharge rate to, (i) correctional facilities, and (ii) home care; 7. the mean number of staff per centre; 8. the total number of staff involved in the actual operation of the centres; 9. the standards or regulations concerning the operation of these centres; 10. the penalties involved for breaching such standards and/or regulations; 11. the number of persons assigned to inspect for conformity to these regulations or standards? (Tabled June 8, 1979.)

Answer by Hon. Mr. Walker:

1. Number and location of these centres:

Numbers:

1974-75	1975-76	1976-77	1977-78	1978-79
14	19	22	26	34

Locations and dates of opening:

Aberdeen House, Kingston, July 1, 1974; Blind River Employment, Blind River, July 31, 1978; Bunton Lodge, Toronto, January 1, 1979; Calvert House, Hamilton, March 5, 1979; Cambridge House, Cambridge, October 1, 1978; Carleton Centre, Ottawa, October 18, 1976; Cuthbert House, Brampton, June 15, 1975; Durhamcrest Centre, Oshawa, October 25, 1976; Durhamdale House, Pickering, January 1979; Ellen Osler Home, Dundas, August 11, 1974;

Gerrard House, Toronto, January 1, 1975; Guelph Tower, Guelph, October 1, 1978; House of Hope, Ottawa, August 1, 1974; Brock and Buell, (Joe Versluis Centre), Brockville, March 27, 1978; Kairos Centre, Thunder Bay, January 1, 1976; Kawartha House, Peterborough, September 1, 1975; Kitchener House, Kitchener, July 1, 1974; La Fraternite, Sudbury, November 4, 1974; Lake Hope Park, Blind River, August 1974;

Luxton Centre, London, September 1, 1975; Madeira House, Toronto, March 27, 1978; Maison Decision House, Ottawa, March 5, 1979; Millhouse Centre, Windsor, November 18, 1974; Onesimus House, Belleville, June 1, 1978; Ontario Native Women's, Thunder Bay, November 25, 1974; Fergusson House, (Elizabeth Fry Society), Ottawa, April 20, 1979; Riverside House, Ottawa, November 4, 1974; Sherbourne House, Toronto, September 20, 1976; Stanford House, Toronto, March 27, 1978; Thunder Bay John Howard Society, Thunder Bay, March 13, 1978; Victoria House, Brantford, February 16, 1976; Timmins Centre, Timmins, August 1, 1974 (temporarily closed January 1979); Northwestern Resource Centre, Dryden, November 4, 1974 (closed November 1977).

2. Number of residents:

The figures that follow represent the average number of residents during a fiscal year:

1974-75	1975-76	1976-77	1977-78	1978-79
31	155	202	237	320

3. Number of available beds:

The figures that follow represent the number of available bed space at the end of each year. These figures are not constant throughout the year as new CRCs are opened or programs are consolidated. Further, it would be wrong to infer there is a vacant capacity when comparing the average annual population to the static figure of available bed space at the end of each year.

1974-75	1975-76	1976-77	1977-78	1978-79
127	244	299	286	462

4. Length of any waiting list for those beds:

It should be noted that there is no waiting list as such for any of our CRC programs in

Ontario, although some transfers have been delayed in isolated incidences.

5. Mean, mode, and median length of resident stay in such centres:

Our records with regard to the length of resident stay in CRCs are kept on average utilization. We do not maintain records nor can we provide an answer related to the mode and median length. The best available answer to question 5 would be the average estimated length of stay of residents which is as follows:

1974-75	1975-76	1976-77	1977-78	1978-79
5 weeks	6 weeks	7.5 weeks	8 weeks	8 weeks

6. Discharge rate to (i) correctional facilities, and (ii) home care:

It should be noted that the discharge rate to correctional facilities does not necessarily indicate a failure on the part of the program. The figures include voluntary withdrawal as well as completion of an employment or educational program. With those cautions in mind, the following figures are provided for the years 1976, 1977 and 1978. The two previous years' figures are not available. However, the percentage figures are constant over the three years and it may be concluded that the percentage figures would be similar in the previous two years.

1974-75	1975-76	1976-77	1977-78	1978-79
Correctional Facilities:				
(NA)	(NA)	18.5%	20%	20%
Home care:				
(NA)	(NA)	81.5%	80%	80%

7. Mean number of staff per centre:

1974-75	1975-76	1976-77	1977-78	1978-79
Full-time:				
4.2	4.6	5.1	5.4	5.7
Part-time:				
1.9	2.2	2.4	2.2	1.9

8. Total number of staff involved in actual operation of the centres:

1974-75	1975-76	1976-77	1977-78	1978-79
Full-time:				
59	88	112	140	193
Part-time:				
27	41	53	56	66

9. Standards or regulations concerning operation of these centres:

Following are the overall ministry standards relating to the operation of all CRCs, a copy of the regulations pertaining to an individual CRC. These individual regulations vary from CRCs in keeping with local conditions and the physical plant. In addition to the standards and the local regulations for each CRC, those regulations under the Ministry of Correctional Services Act which were recently approved by the executive council are outlined.

STANDARDS RECOMMENDED FOR COMMUNITY RESOURCE CENTRES BY ONTARIO ASSOCIATION OF COMMUNITY RESOURCE CENTRES

Governing Authority:

The directors, boards of directors, or the governing body that has a contract with the Ministry of Correctional Services to provide a community resource centre facility.

Administrator:

The senior staff employed by the governing body to direct the operation and program of the community resource centre.

1. The agency operating an established community resource centre shall be a legal entity or a part of a legal entity.

2. The governing authority of each community resource centre shall hold meetings at least annually with the community resource centre administrator in order to facilitate communication, establish policy, explore problems, ensure conformity to legal and fiscal requirements, and implement community residential programs.

3. The administrator of the community resource centre shall implement the policies of the governing authority which have been mutually agreed upon.

4. A resident of a community resource centre shall have his/her program for employment, education and community involvement directed by the community resource centre staff.

5. The program shall have an operational manual which summarizes in one document methods of implementing agency policies and provides details for daily operations of the program.

6. The community resource centre shall meet all of the applicable legal requirements of the municipality in which the community resource centre is located.

7. Adequate information must be supplied by the parent institution upon a resident's admission to a community resource centre, e.g., name; address; sex; date of birth; social insurance number; OHIP number; driving licence number and date of expiry; details of automobile and insurance coverage; reason for referral; whom to notify in case of emergency; date information gathered; special medical problems or needs; personal physician, if applicable; legal status, including jurisdiction, length and conditions of sentence.

8. At the time of intake, community resource centre staff shall discuss program goals, services available, rules governing conduct, program rules, and possible disciplinary actions with the residents. This is to be documented by employee and resident signatures.

9. The program at the community resource centre shall provide all necessary services to meet the apparent needs of the residents.

10. The community resource centre shall encourage and foster the development and use of community resources to assist in the rehabilitation of residents.

11. All program rules and regulations pertaining to residents shall be readily available.

12. Resident progress shall be reviewed in documented behaviour reports at least every two weeks either through staff meetings or by an individual staff member.

13. There shall be at least one staff person, who is readily available and responsive to resident needs, on the community resource centre premises 24 hours each day.

14. Policies and procedures exist for resident grievances, including an appeals procedure.

15. The community resource centre shall have policies and procedures which provide increasing opportunities and privileges for resident involvement with family and participation in community activities prior to release, dictated by resident's behaviour, attitude and response.

16. The program shall provide special diets as required to meet the medical and religious needs of residents.

17. The program shall provide first aid equipment, which meets Red Cross standards, which is available at all times for medical emergencies, and shall maintain an inventory control of supplies. Each community resource centre shall ensure that an adequate number of members of staff are trained in emergency first aid procedures.

18. The community resource centre shall have a written policy regarding the possession and use of controlled substances, prescribed medications and over-the-counter drugs.

19. The community resource centre shall have a written policy restricting the use of physical force. It should only be used in the event of personal attack and only as much force as is necessary for protection of person or property.

20. The community resource centre must establish a procedure for securing citizen involvement in their programs, as appropriate. They should ensure that such volunteers be made familiar with the philosophy of the centre and volunteers should be responsible to the administrator in their involvement in the program.

21. The community resource centre must maintain a case record for all persons admitted to the program in which all significant decisions and events are recorded.

22. The records maintained by the community resource centre should include the following information, and confidentiality shall be maintained at the administrator's discretion: initial intake information forms; case information from referral source, if available; case history/social history; medical records, when available; individual plan or program; current employment data; documented legal authority to accept resident; referrals to other agencies; a system whereby the centre is able to account for the whereabouts of the resident at all times; rules of residency and disciplinary policy, signed by resident; grievances and disciplinary record; signed release of information forms; evaluation and progress reports; final discharge report.

23. The responsible staff member shall make all entries into the case records assigned to him/her, and dates and signs each entry.

24. Appropriate safeguards should exist to minimize the possibility of theft, loss or destruction of case records.

25. The community resource centre shall have a written policy regarding the confidentiality of individual case information which specifically sets out participant access, personnel access, outside agency access, and designates personnel responsibility for the release of participant information.

26. A report shall be prepared at the termination of program participation which reviews the resident's performance in the program.

27. The community resource centre shall co-operate with legislative and executive bodies and have provisions for offering advice and opinions on relevant proposals pending before the Legislature.

28. The community resource centre shall have a policy of collaboration with universities, colleges and other institutions of higher learning in programs of mutual concern.

29. The community resource centre staff shall maintain membership and participate in professional associations and activities, as appropriate.

30. The community resource centre shall have written procedures to control movement in and out of the facility by residents and staff.

31. It is required that the community resource centre ensure that the storage, handling, preparation and serving of food; the toilet and bathing facilities; the living

space; the laundry facilities; the first aid equipment; the cleanliness of the total property; and working conditions meet the related codes at all times.

32. The exterior and grounds of the facility must be maintained at a level at least in keeping with the neighbouring properties.

REGULATIONS PERTAINING TO AN INDIVIDUAL COMMUNITY RESOURCE CENTRE

Aberdeen House

Herein contained are the rules and regulations concerning the operation of Aberdeen House as adopted by the house management committee in consultation with Superintendent, Quinte Regional Detention Centre (17-7-74).

I. Final acceptance of a person as a resident shall rest with Quinte Regional Detention Centre in consultation with the director of Aberdeen House.

II. The maximum length of residency will be as stipulated on temporary absence pass granted by Quinte Regional Detention Centre.

III. Every person who is a resident or visitor of Aberdeen House shall adhere to and be guided by the following rules and regulations and fulfil the obligations outlined:

1. The use of alcohol and non-medically prescribed drugs is not permitted on the premises of Aberdeen House. Any visitor under the influence of drugs and/or alcohol will not be admitted.

2. Absences from Aberdeen House will be for the purpose of working, education, seeking employment or as stipulated on the temporary absence pass granted only by the superintendent. Only the superintendent of Quinte Regional Detention Centre could stipulate the period of absence of an inmate.

3. (i) Every resident shall be required to keep his own room in good order and to assist with various housekeeping duties such as washing dishes, et cetera.

(ii) Short-term absences from Aberdeen House for purposes and period other than stipulated on the temporary absence pass granted by the superintendent of Quinte Regional Detention Centre must be authorized by the director of Aberdeen House, or his designate who shall stipulate the period of absence in each case. Overnight or weekend passes may only be granted by the superintendent of Quinte Regional Detention Centre.

(iii) Short-term absences granted by the director of Aberdeen House or his designate should be completed in duplicate. The original copy of the short-term absence which is carried by the temporary absence absentee shall be returned to Aberdeen House officials. On the completion of the short-term absence it shall be returned to Quinte Regional Detention Centre with the regular reports that are submitted to the superintendent of Quinte Regional Detention Centre.

4. (i) Residents who are employed will be required to pay room and board at a rate determined by the Ministry of Correctional Services.

(ii) Where an inmate is granted a temporary absence for the purpose of employment and is also accommodated in Aberdeen House he shall be required under the provisions of the temporary absence program to:

A. Receive his earning direct from his employer;

B. Pay to the director of the community resource centre a sum of $4 per day in respect of each day's residence in the centre;

C. Account for earning received and carry out a program of utilization and disposal of such earnings in accordance with the conditions of his temporary absence programme and the rules and procedures of the community resource centre. A joint savings account with the director, community resource centre to be opened with no chequing privileges. For withdrawal of funds, the withdrawals slips should be co-signed by the director of the community resource centre.

5. No resident or guest of a resident shall bring to the house an illegal or illegitimate item or anything which may reflect unfavourably upon Aberdeen House.

6. No resident or guest of a resident shall remove from the premises any object which is the property of Aberdeen House without prior permission of the director. No person who is unlawfully at large will be permitted on the premises.

7. The director and staff may refuse admittance to any visitor who may in their opinion be disruptive to the smooth operation and good order of Aberdeen House, and shall further have the power to, for just cause, ask any visitor to leave at any time.

8. All residents are required to conform to all temporary absence regulations and rules.

9. All illness of any temporary absence inmate is to be reported to the superintendent and the Quinte Regional Detention Centre Medical Officer.

All violations of regulations will be reported to the Superintendent, Quinte Regional Detention Centre, immediately.

Read and Understood, (Signed) Resident; Date; (Signed) Director, Aberdeen House, (CRC).

Supplement to original temporary absence pass

ABERDEEN HOUSE

A project of
The Drop-In Centre
Kingston, Incorporated

30 Aberdeen Street
Kingston, Ontario
K7L 3N2
Tel. 548-7930

Occasional Absence Permit

This is to certify that _____ a resident of Aberdeen House on Temporary Absence Pass from Quinte Regional Detention Centre is authorized to be absent from Aberdeen House from ____ a.m./p.m. to ____ a.m./p.m. on _____ 19 ____ for the purposes stated below:

Signed: _____
Resident

_____
Staff member, Aberdeen House

Date: _____

Rules and Regulations governing persons on Temporary Absence Pass apply.

Community Resource Centre Regulations

I am aware that in the community resource centre program:

1. The Ministry of Correctional Services Act and regulations apply. The sections regarding the payment of wages and the method of dealing with them have been explained to me fully and I accept them in their entirety.

2. Immediate notification must be given to the institution by telephone if, for any reason, I am unable to meet the conditions stipulated on the TAP permit. Failure to do so may result in revocation of the permit, resulting in disciplinary action or criminal prosecution.

3. Temporary absence is granted solely for the purpose(s) as declared in the authorization.

4. No agreements and/or contracts can be entered into without approval of the superintendent or his designate.

5. The use or possession of drugs is forbidden unless prescribed by a legally qualified medical practitioner.

6. Also I agree not to leave my place of employment, school, et cetera, or the place designated on my pass and understand that contact with ex-inmates may be restricted.

7. Since failure to return to the community training residence at the prescribed time could lead to being considered unlawfully at large and a charge in outside court, I agree that my employer or school must contact the community training staff if I am to work overtime or stay after regular school hours.

8. I agree not to incur any debts while on the community training program.

9. I agree not to drink alcoholic beverages or gamble while on the community training program.

10. I agree not to enter any beverage rooms, bars, cabarets or nightclubs.

11. I agree to keep my bedroom and designated cleaning area clean and neat at all times. I also agree to respect the cleanliness of the entire residence, especially the kitchen. I agree that no one should go out on passes until all cleaning is done.

12. I agree to sign the workbook upon leaving for work and upon returning to the residence from work.

13. I agree not to drive a motor vehicle unless I have written permission from the Ministry of Correctional Services.

14. I have read or have had read and explained to me the above rules and agree to abide by them. I understand that violation of any of these rules may result in my removal from the community training program or in other disciplinary measures as deemed appropriate by the community training staff and/or superintendent.

(Signed) Witness; (Signed) Resident.

Regulations under Ministry of Correctional Services Act

PART III

COMMUNITY RESOURCE CENTRES

51.—(1) The director of a community resource centre is responsible for the management of the centre and for the care, health, discipline, safety and custody of the inmates under the director's authority, and, without limiting the generality of the foregoing, the director shall,

(a) supervise the admission and release of each inmate from the centre;

(b) supervise the disposition of inmate property; and

(c) supervise the admission and conduct of persons visiting the centre.

(2) The director shall,

(a) administer the community resource centre in accordance with the act, the regulations, the agreement between the centre and the ministry, and any instructions issued from time to time by the minister to the director; and

(b) ensure that inmates are informed of their duties and privileges while in custody at the community resource centre. O. Reg. 243/79, s. 51.

52. The provisions of this regulation governing the disposition of inmate property apply, with necessary modifications, to the property of an inmate who is admitted to a community resource centre. O. Reg. 243/79, s. 52.

53. The provisions of this regulation governing the management of money earned by an inmate while in custody at a correctional institution apply, with necessary modifications, to the management of money earned by an inmate while in custody at a community resource centre. O. Reg. 243/79, s. 53.

54. There shall be an inspection or investigation by the ministry of every community resource centre from time to time and, in any event, at least once in each year and each director shall provide access and assist an inspector from the ministry as fully as possible in the conduct of an inspection or investigation. O. Reg. 243/79, s. 54.

55. Regulations 166 and 167 of Revised Regulations of Ontario, 1970, and Ontario Regulations 146/71, 336/71, 194/72, 74/73, 884/74, 580/75, 290/76, 245/77 and 932/77 are revoked.

10. Penalties involved for breaching such standards and/or regulations:

The penalties involved vary in accordance with the extent to which the standards are breached. Discussions with the agency are usually sufficient to remedy any defects. Where defects are such to make the program non-operable, the centre may be closed.

11. Number of persons assigned to inspect for conformity to these regulations or standards:

The ministry has an inspection and investigation branch, which comprises a complement of seven staff, responsible for the inspection of ministry facilities such as correctiona centres, detention centres, jails and, of course, CRCs. The inspectors review the operations of the CRCs in accordance with the approved standards and regulations. In addition to the inspectors, the CRCs are regularly visited by the superintendent and staff of the parent institution, who inspect each centre for conformity to standards and regulations.

APPROVED HOMES

250. Mr. Dukszta: Would the Ministry of Health table in the House figures for each of the years 1975-79 inclusive, pertaining to the approved homes administered by the psychiatric hospital branch of the Ministry of Health, by each of the three classes of home size as to: 1. the number and location of these homes: 2. the number of residents: 3. the number of available beds; 4. the length of any waiting list for those beds: 5. the mean, mode, and median length of resident stay in such homes: 6. the discharge rate to, (i) home, and (ii) chronic-care facilities: 7. the mean number of staff per home; 8. the total number of staff involved in the actual operation of the homes; 9. the standards or regulations concerning the operation of these homes; 10. the penalties involved for breaching such standards or regulations; 11. the number of field workers inspecting for conformity to these regulations and/or standards; 12. the number of renewals; and 13. the amount of moneys paid to approved home owners for, (i) capital, and (ii) operating costs? (Tabled June 8, 1979).

Answer tabled by Hon. Mr. Timbrell:

1. Number and location of these homes (administered by the following psychiatric hospitals):

Brockville		1975	6	Lakeshore		1975	3
Psychiatric		1976	6	Psychiatric		1976	4
Hospital		1977	2	Hospital		1977	4
		1978	2			1978	4
	April	1979	2		April	1979	4
Hamilton		1975	8	London		1975	3
Psychiatric		1976	6	Psychiatric		1976	5
Hospital		1977	8	Hospital		1977	4
		1978	3			1978	3
	April	1979	3		April	1979	4
Kingston		1975	15	North Bay		1975	4
Psychiatric		1976	7	Psychiatric		1976	1
Hospital		1977	7	Hospital		1977	1
		1978	6			1978	–
	April	1979	2		April	1979	–

Lakehead		1975	4	Queen Street		1975	18
Psychiatric		1976	5	Mental Health		1976	9
Hospital		1977	6	Centre		1977	12
		1978	3			1978	7
	April	1979	6		April	1979	7
St. Thomas		1975	7	Whitby		1975	8
Psychiatric		1976	7	Psychiatric		1976	5
Hospital		1977	7	Hospital		1977	2
		1978	6			1978	2
	April	1979	6		April	1979	2

2. Number of residents:

Hospital	1975	1976	1977	1978	April 1979
Brockville PH	77	32	55	46	6
Hamilton PH	53	62	55	41	16
Kingston PH	53	23	19	19	9
Lakehead PH	9	6	6	7	5
Lakeshore PH	23	21	19	20	20
London PH	26	29	28	25	26
North Bay PH	10	5	1	0	0
Queen Street MHC	79	61	68	68	54
St. Thomas PH	18	21	17	14	13
Whitby PH	71	32	20	18	17

3. Number of available beds:

Brockville		1975	16	Hamilton		1975	31
Psychiatric		1976	18	Psychiatric		1976	23
Hospital		1977	16	Hospital		1977	31
		1978	16			1978	20
	April	1979	16		April	1979	20
Kingston		1975	22	North Bay		1975	12
Psychiatric		1976	22	Psychiatric		1976	4
Hospital		1977	27	Hospital		1977	4
		1978	21			1978	–
	April	1979	10		April	1979	–
Lakehead		1975	8	Queen Street		1975	76
Psychiatric		1976	11	Mental Health		1976	71
Hospital		1977	13	Centre		1977	70
		1978	6			1978	64
	April	1979	13		April	1979	53
Lakeshore		1975	23	St. Thomas		1975	24
Psychiatric		1976	26	Psychiatric		1976	24
Hospital		1977	20	Hospital		1977	24
		1978	20			1978	22
	April	1979	16		April	1979	22
London		1975	8	Whitby		1975	109
Psychiatric		1976	16	Psychiatric		1976	67
Hospital		1977	12	Hospital		1977	30
		1978	10			1978	30
	April	1979	12		April	1979	30

4. Length of any waiting list:

Because approved home placements are based on need and availability, there are no waiting lists.

5. Mean, mode, and median length of resident stay:

This information would be difficult to establish. However, the expected length of resident stay is from six to 12 months.

6. Discharge rate to (i) home and (ii) chronic-care facilities:

This information is not statistically available, and would vary according to patient needs, and resource availability, i.e., home resources versus institutional resources.

7. Mean number of staff per home:

This depends on the size of the home. Usually the operator(s) are the only staff present (one) or (two).

8. Total number of staff involved in actual operations:

One to two staff depending on the size of the home.

9. Standards or regulations concerning operation of these homes:

Standards and regulations are part of the Mental Hospitals Act, sections 12, 13 and 14, as well as regulations 578 and 579 under the Mental Hospitals Act.

Relevant data and information are also published in the Manual of Policy and Procedures for the selection and use of approved homes in psychiatric hospitals and retardation facilities. This manual was published by professional services branch, mental health division, Ministry of Health, September 1972.

Public Health—O. Reg. 261/64, S. 20, 21, 22: Public health standards under the Public Health Act and those established by regulation for licensed residential homes under the Homes for Special Care Act.

Fire safety—O. Reg. 173/70, S. 23: Fire safety standards set out in the regulations of the Homes for Special Care Act for licensed residential homes are standards for approved homes.

Zoning: Local bylaws with respect to zoning must be complied with.

10. Penalties involved for breaching such standards or regulations:

Licence for the approved home is revoked.

11. Number of field workers inspecting for conformity to these regulations and/or standards:

In each facility having an approved home program, one social worker has the delegated authority to follow up stipulations of the Mental Hospitals Act, regulations and respective data of the manual.

12. Number of renewals:

Licences for approved homes are considered permanent and valid until revoked; thus they are not subject to annual renewal as per regulation 578 of the Mental Hospitals Act.

13. Amount of moneys paid to approved home owners for (i) capital and (ii) operating costs:

(i) Capital costs: Capital expenditures are handled by the Ministry of Government Services. They do not have these figures by individual program.

(ii) Operating costs: 1975-76, $693,300; 1976-77, $585,900; 1977-78, $608,100; 1978-79, $563,400; (estimated) 1979-80, $566,400.

HEALTH CARE FOR THE AGED

254. Mr. Breaugh: Would the Minister of Health indicate what recommendations he has accepted from the Ontario Health Council's report, Health Care for the Aged, presented to him on June 12, 1978? What schedule has the minister adopted for the implementation of those recommendations with which he agrees? Would the minister table any evaluations and studies further to this report which have been conducted by his ministry or for his ministry? Would the minister indicate what communications he has had with other ministries of the government of Ontario which were mentioned in the 46 recommendations? What action are these ministries prepared to take in light of the conclusions of the health council's report? (Tabled June 8, 1979. Interim Answer June 19, 1979. Approximate date information available July 31, 1979.)

Hon. Mr. Timbrell: Our response to the above question reads as follows:

The Ministry of Health has responded to the major areas of concern as outlined in the Ontario Council of Health report on Health Care for the Aged.

No individual response to each of the report's 46 recommendations has been prepared. This is due to a growing recognition and appreciation within government that responsibility for policy planning and programming for the elderly is not and cannot be limited to the jurisdiction of one ministry exclusively.

The council of health report has provided a valuable source of material for discussion.

The Ministry of Health has taken significant initiatives either independently or in collaboration with other ministries in implementing the major recommendations of the council of health report.

1. Co-ordination of policy development, and program planning among ministries

The Ministry of Health, on behalf of itself, ComSoc and the Policy Secretariat for Social Development, is preparing a joint proposal to cabinet on this matter.

Representatives of the Ministries of Health, ComSoc and Housing have met to consider the implications of the ageing of the population for meeting the future residential requirements of the elderly, and alternative models for co-ordinated local planning for the needs of the elderly.

Ministers of nine ministries were invited by the Minister of Health, earlier this year, to review the OCH report. They noted that, with respect to a co-ordinated mechanism for programs related to the elderly, it would be desirable to broaden the approach suggested in the report and to review objectives for the government's role vis-à-vis the elderly as a whole, rather than confining the topic to health matters alone. The cabinet committee on social development has met to further discuss future co-ordination activities among the relevant ministries. As the co-ordinating mechanism becomes operational, its focus will include the above perspective, on services for the elderly as a whole.

2. Local co-ordination for service delivery and patient placement:

The Ministry of Health, with the endorsement of the Ministry of ComSoc, has developed general guidelines for placement co-ordination services and circulated them to district health councils, hospitals and municipalities regarding the establishment of such services. In addition to those already in operation, four new services, under a variety of administrative models, were announced on August 30. They will be located in Windsor, Kingston, Guelph and Peel county.

3. Expansion of chronic home care:

It is Ministry of Health policy to phase in chronic home care programs province-wide, subject to the availability of funds.

Additional areas of recommendation in the report included:

4. Research on ageing:

The Ministry of Health has announced establishment of a research funding agency to support research in the field of gerontology, including the full range of biomedical, social, economic and environmental concerns. One million dollars in lottery funds, and up to an additional $500,000 in direct government funds have been allocated to establish the agency.

5. Education of health professionals:

The Ministry of Health recognizes that unmet needs for services in such programs as hearing and foot care, and in geriatric services, may be related to possible shortages of trained technicians and aides. The ministry is analyzing the numbers required and how best to employ them in the long-term care system. The need for expanded or additional training programs is being discussed with the Ministry of Education. An audiology and speech pathology bursary program has just been established for underserviced areas in the north.

Regarding a geriatrics/gerontology component in professional education, the ministry anticipates that the proposed Institute of Gerontology may stimulate additional physician interest in geriatrics as a specialty. There is also a need for more emphasis on geriatrics in all undergraduate medical programs. The ministry is working with the universities to achieve this. The ministry also agrees that in addition to physicians, dentists, nurses, psychologists, and social workers, other health-care professionals should also be trained in geriatric care.

6. Residential facilities:

The Ministry of Health endorses the view of the council that a shift in emphasis is required from acute institutional care to alternative levels of long-term care.

The ministry is actively involved in a variety of local studies of long-term care needs and is attempting to develop appropriate planning models for local health systems studies, in collaboration with other relevant ministries.

7. Service requirements:

While it is recognized that elderly persons are more vulnerable than others to problems of dentition, hearing, seeing and mobility, expanding OHIP to include these services, even on the basis of financial need, could conflict with other costly initiatives such as extending the chronic home care program.

Foot care services, together with their manpower needs and their preventive impact, are the subject of a policy statement currently under development.

The recommendations regarding mental health services, as appropriate, are already in standard practice.

Various approaches to monitoring and controlling dispensing of drugs to the elderly, and alternative systems of financing, are being considered on a pilot basis.

HIGHWAY SAFETY

257. Mr. Philip: Will the Attorney General table a detailed breakdown of the cost of the program he announced in the House on May 24, 1979, designed to deal with the increased number of death and injuries which occurred on Ontario roads in the first three months of this year? (Tabled June 11, 1979).

Hon. Mr. McMurtry: In my statement to the Legislature on May 24 last I outlined five steps which would be taken immediately to reduce the number of people killed and injured on provincial roads and highways. In addition, I announced the formation of a Highway Traffic Safety Co-ordinating Council to seek long-term solutions to the upward trend in highway deaths. I also stated that I would be asking my cabinet colleagues to approve funds for the hiring of additional OPP officers in 1979.

The cost of the five initiatives I announced is as follows:

1. The doubling from three to six of the number of aircraft patrolling provincial highways in high accident areas—$56,950;

2. Increased enforcement of our seatbelt legislation—no cost;

3. Greater use of unmarked cars and instructions to all OPP personnel to watch for flagrant traffic infractions—no cost;

4. Discussion with the chief judge of the appropriateness of increased and more uniform fines for speeding and moving traffic violations—no cost; and

5. Instruction to all crown attorneys to bring concern about highway safety to the attention of the courts in sentencing of motorists convicted of Criminal Code offences related to driving—no cost.

It is difficult to estimate what costs have been incurred through the formation of the Traffic Safety Co-ordinating Council, but they are minimal. The council met twice over the summer months and will meet again October 17 to consider recommendations relating to truck traffic on our highways.

The implementation of the program involving the hiring of extra police officers in 1979 is not being proceeded with at this time.

I am pleased to advise the honourable member that the 67.5 per cent increase in motor vehicle fatalities reported for the first three months of 1979 was reduced to a 7.6 per cent increase as of September 30, 1979.

CANADIAN FILM CASTING SERVICES

259. Mr. Mackenzie: Will the Minister of Consumer and Commercial Relations undertake an investigation of Canadian Film Casting Services, P.O. Box 561, Station J, Toronto, in order to determine its status as an employment agency and in order to assess the legality of the fee levy it applies to non-union registrants? Will the minister also investigate this company's practice of advising some applicants that they must purchase a $20 book which describes acting skills in order to be considered as a future job candidate through their service? (Tabled June 11, 1979).

Hon. Mr. Drea: The firm is registered with the companies division. Linda Mote is recorded as sole proprietor. The fee, formerly $20 and now $30, is charged for the Film Extra Handbook, and no other registration fee is charged either to the applicant or to film makers. Purchase of the book is compulsory in order to be registered.

The employment agencies section of the employment standards branch of the Ministry of Labour is dealing with the firm in connection with registration as an employment agency.

We believe that Canadian Film Casting Services is making reasonable efforts to find work for its registrants in the film industry. The fee charged is not, in our opinion, exorbitant and potential "extras" are told that the fee is for the handbook and is not a registration fee.

CHLOROPHENOL EMISSIONS

263. Ms. Bryden: Will the Minister of the Environment provide an inventory of all point sources of chlorophenol emissions in Ontario, along with the emission levels involved? What guidelines are used to determine acceptable levels of chlorophenol emissions? (Tabled June 12, 1979).

Hon. Mr. Parrott: There are 19 different chlorinated phenols. All are commercially available, but none of them are manufactured in Ontario. Only a few of the chlorophenols are commercially important, and most are used as intermediates in manufacturing processes and thus do not enter the environment in large quantities. Since all but one of the chlorophenols are solids with high boiling points, they are not normally emitted to the atmosphere from industrial point sources. The applications and end uses of chlorophenols are numerous and diverse, including many household and agricultural uses. For these reasons, there is no existing Ontario inventory of chlorophenol point source emissions to the atmosphere.

Environment Canada is currently carrying out a national inventory of certain chlorophenols which will include Ontario sources.

The Ministry of the Environment is mounting a monitoring program in the Great Lakes basin, and guidelines could be developed on the basis of any information gained from this program. There are no guidelines specifically related to chlorophenol discharges.

The chlorophenol of primary concern is pentachlorophenol (PCP), whose end uses and

environmental persistence have led to its appearance as a common contaminant. PCP is used as a wood preservative and is applied as a commercial and household fungicide, insecticide and herbicide. It has been used quite commonly in the Canadian pulp and paper industry as a slimicide.

Where they are used in pesticidal applications they are registered by the federal government and large users are licensed by the province of Ontario under the Pesticides Act. Many registered products are available to the householder.

For pentachlorophenol, we have an ambient air quality criterion of 30 ug/m^3 (24-hour average) and an emission standard of 90 ug/m^3 (half-hour average at a point of impingement).

MONITORING SYSTEM TENDERS

264. Mr. di Santo: Would the Minister of the Environment table the Canadian content percentage of each bidder on each of the contracts for air pollution control monitoring systems and water pollution and flood control monitoring systems which have been tendered since January 1, 1978? Would the minister indicate the winner of each tender? (Tabled June 12, 1979.)

Hon. Mr. Parrott: The Ministry of the Environment has placed no orders for air pollution monitoring systems, but there have been orders placed for two data acquisition and processing systems which were ordered to supplement existing air monitoring networks.

The first system, which has been well documented to this House, consisted of a system to handle the data from the air monitoring devices in the Nanticoke area. In the final round, there were three bidders:

Radian Corporation (31 per cent Canadian content);

Canadian Applied Technology (81 per cent Canadian content); and

Promac Limited (68 per cent Canadian content).

The order was awarded to Radian Corporation as their proposal more directly met our requirements at a competitive price.

A similar system was ordered, to handle data from the Ministry of the Environment sulphur dioxide monitoring network in Sudbury. Canadan content was not requested from the suppliers as they all maintain Canadian sales and/or engineering outlets. The successful bidder was Canadian Applied Technology of Buttonville, Ontario. The bids were difficult to compare, as some of the suppliers left out requested items or required more expensive data transmission lines.

Canadian Applied Technology was awarded the contract because its system was designed to interface with existing equipment already owned by the Ministry of the Environment and met our needs at a lower price.

Flood control monitoring systems are not operated by this ministry but rather by the conservation authorities and the Ministry of Natural Resources.

The ministry does not operate water pollution control monitoring systems. Individual monitors or specific samples are used.

GOVERNMENT PURCHASING

265. Mr. Cassidy: Would the Minister of Industry and Tourism table by ministry the number and value of microfiche readers purchased by the government in the last fiscal year? Would the minister identify the firms to which contracts were awarded, and would he give the Canadian content percentage of the products purchased in each case? (Tabled June 14, 1979.)

Hon. Mr. Wiseman: The attached table contains the answer to the question for the ministries listed. Other ministries did not purchase microfiche equipment during the year 1978-79.

MICROFICHE READERS AND READER/PRINTERS PURCHASED DURING 1978/79

Ministry	Supplier	Number of Readers and Reader/ Printers	Value $	Canadian Content %
Attorney General	Microfilm Recording Co. Ltd.	38	6,344	83
Civil Service Commission	Bell and Howell (Canada) Ltd.	1	4,790	50
	3M Canada Ltd.	2	4,030	43
	Sailer Micro Products Ltd.	9	2,511	71
Colleges and Universities	Sailer Micro Products Ltd.	31	7,828	75
Community and Social Services	Bell and Howell (Canada) Ltd.	1	215	75
	Computrex Centres Ltd.	2	530	55
Consumer and Commercial Relations	Bell and Howell (Canada) Ltd.	8	3,028	50
	MICR Systems Ltd.	25	8,398	40
Correctional Services	AM International Inc.	3	750	100
Education	Bell and Howell (Canada) Ltd.	1	347	62
	3M Canada Ltd.	3	885	100
	Preston Microfilming Services Ltd.	2	82	N/A
Environment	Bell and Howell (Canada) Ltd.	17	5,771	50
Government Services	Hughes Owens Co. Ltd.	1	2,300	40
	Microfilm Recording Co. Ltd.	8	1,230	100
Housing	3M Canada Ltd.	28	5,884	98
Natural Resources	Kodak Canada Ltd.	1	3,685	34
	3M Canada Ltd.	6	3,880	48
	Microfilm Recording Co. Ltd.	3	1,022	82
Revenue	Microfilm Recording Co. Ltd.	1	222	100
Transportation and Communications	Microfilm Recording Co. Ltd.	1	167	68

266. Mr. Cassidy: Would the Minister of Industry and Tourism table by ministry the specifications for each of the microfiche reader contracts in the last fiscal year? (Tabled June 11, 1979.)

Hon. Mr. Wiseman: The specifications for each contract are contained in the following attachments:

Ministry	Attachment Number
Attorney General	1
Civil Service Commission	2-4
Colleges and Universities	5
Community and Social Services	6
Consumer and Commercial Relations	7
Correctional Services	8
Education	9-10
Environment	11
Government Services	12-13
Housing	14
Natural Resources	15
Revenue	N/A
Transportation and Communications	N/A

1. Ministry of the Attorney General: 42X magnification; blue screen with turntable and fuel floating lens; single carriage.

2. Civil Service Commission — Microfiche readers, specifications:

Screen: Blue, green or grey; high resolution, non-glare; front-projected image with recessed screen at approximately 30-degree angle; 11 by 11 inches to 12½ by 12½ inches.

Construction: Durable, all metal or metal and high-impact plastic.

Lens: Drop-in, floating lens; magnification potential from 24X to 48X; dual lens capability; existing lens to be in place equals 24X and 42X.

Indexing: Interchangeable index grids.

Electrical: 120-volt, 50/60-cycle M/C.

Lamp: Quartz halogen; fan-cooled or fanless; high/low intensity switches.

Weight: Range between 20 and 30 pounds.

Additional features: Cursor—either built-in reference line or transparent screen line guide; one-year warranty on all parts except for glass and lamps; all glass parts easily accessible for cleaning; dual-carriage potential; automatic opening glass platens; standard four-by-six-inch carrier.

3. Civil Service Commission — Microfiche reader-printers, specifications:

A. Lens: Drop-in, floating lens; magnification potential from 24X to 48X; dual lens; lens to be immediately utilized 24X and 42X.

B. Lamps: Fan-cooled; incandescent and/or quartz halogen at approximately 150 watts; lamp life of 400 hours or above.

C. Indexing: Interchangeable index grids; locator arrow or similar device for swift location of image.

D. Screen: Blue, green or grey; high-resolution, non-glare; minimum size required equals 11 by 11 inches.

Additional features: Dry, electrostatic prints; prints from either positive or negative film; capable of producing both letter- and legal-size prints (8½ by 11 inches or 8½ by 14 inches); to utilize 500-hour roll of paper, no cartridges or cassettes; accepts standard fiche or jackets, four by six inches; automatic opening glass platens; print density/darkness controls; one-year warranty on all parts except for glass and lamps; convenient focus control, on lens or on front of machine; oversize carrier proferred; image rotation capability desired.

4. Civil Service Commission—Roll microfilm reader/printer specifications:

A. Lens: Drop-in, floating lens; magnification potential from 24X to 48X; dual lens capability; lens to be immediately utilized equals 26X.

B. Lamps: Fan-cooled; incandescent and/or quartz halogen; lamp life of 400 hours or greater.

C. Indexing: Film indexing potential desirable; electronic odometer preferable.

D. Screen: Blue, green or grey; high resolution, non-glare; minimum size required, 11 by 11 inches; titled screen preferable.

E. Additional features: Dry printing capability preferred; prints from either positive or negative film; print density/darkness controls; 360-degree rotating image capability; slow-speed scanning and rapid advance and rewind zoom capability; capable of producing both letter- and legal-size prints; cassette loaded.

5. Ministry of Colleges and Universities—Microfiche readers, proposed specifications:
Screen: Blue, green or grey; high resolution, non-glare; front-projected image with recessed screen at approximately 30-degree angle; 11 by 11 inches to 12½ by 12½ inches.

Construction: Durable, all metal or metal and high impact plastic.

Lens: Drop-in, floating lens; magnification potential from 24X to 48X, existing lens 48X; dual lens capability.

Indexing: Interchangeable index grids.

Electrical: 120-volt, 50/60 cycle M/C.

Lamp: Quartz-halogen; fan-cooled or fanless; high/low intensity switches.

Weight: Range between 20 and 30 pounds.

Additional features: Cursor, either built-in reference line or transparent screen line guide; one-year warranty on all parts except for glass and lamps; all glass parts easily accessible for cleaning; dual carriage potential; automatic opening glass platens; standard four by six inch carrier; please quote prices on quantities of 25 and 30.

6. Ministry of Community and Social Services—Specification:

1. Lens magnification 42X, 32X; 2. four by six inch carrier; 3. Screen size 8½ by 11 inches or 11 by 14 inches.

7. Ministry of Consumer and Commercial Relations—Microfiche reader specifications:

Size: To fit conveniently on desk top and portable.

Illumination: At least two intensity setttings (high-low); bright and even (whole screen).

Lamp: Quartz halogen; life approximately 2,000 hours.

Optics: Blowback, 75 per cent of full screen size; magnification, interchangeable lenses, 24X; 42X; 48X.

Carrier: Automatic opening, roller and track transport.

Fiche Size: four by six inches; four by 7⅜ inches; four by 12 inches; type, fiche, jacket and aperture.

Grids (indexing): Interchangeable.

Controls: Hand level.

Electrical Requirements: Standard 120-volt, 60Hz.

Reader must be: compact and easily portable; easily operated; versatile; easy to maintain; electrically safe (positive safety interlock); easily cleaned.

8. Ministry of Correctional Services—Specification:

Microfilm readers, 100 per cent blowback for 42 to 1 COM fiche; dual light source; floating interchangeable lens; blue screen, With index grid 16 across and A to M (14) down.

9. Ministry of Education—Specifications:

Screen: Blue, high resolution, non-glare 18-inch.

Focus: Full-floating lens, magnification 42X.

Construction: Metal/plastic; dual lens option.

10. Ministry of Education—For the supply and delivery of three microfiche readers as per the following specifications:

Screen: Blue, high resolution, non-glare 18-inch.

Focus: Full-floating lens.

Magnification: 42X.

Construction: Metal/plastic.

Options: Dual lens option.

Please submit brochures showing detailed description and picture of the units offered. State type of warranty offered. State Canadian content if possible.

11. Ministry of the Environment—Specifications:

11 by 11-inch screen; 24X lens; lens interchangeability; image rotation; four by six-inch microfiche carrier; high/low brightness control; rear screen projection; steel-aluminum construction.

12. Ministry of Government Services—Microfiche readers:

Desk viewers; still picture, four by six inch or four by 7½ inch.

Microfiche format. Loading and positioning—manual.

Nominal screen size: 11 by 11 in.

Optics: rear-of-screen.

Focus control: dial and floating lens; dual-lens optics.

Nominal size of viewer: 20 inches high by 12 inches wide by 16 inches deep.

Electrical requirement: 120-volt, AC, 60-cycle.

Magnifications: 24X, 42X and 48X.

Bell and Howell Model SR8 or approved equivalent.

Portable viewer:

Nominal dimensions: 2⅝ inches high by 1½ inches deep by 5⅞ inches wide.

Nominal weight: 12 ounces.

Optical system: virtual—image optics.

Film reductions: up to 48X.

Focusing: fixed constant focus.

Film format: microfiche, jacketed microfilm and aperture cards.

Film handling: manual film positioning, row and column, indexed by locator scale.

M.C.R. Model: Microvision, or approved equivalent.

13. Ministry of Government Services:

3M Model 500 Reader/Printer or approved equal-c/w one microfiche jacket and aperture holder.

14. Ministry of Housing—Specifications:

1. Full-size blockback (100 per cent) for both COM (Computer Output Microfilm) at 48X ratio and source document at 24X ratio.

2. Reference or position line on viewing screen.

3. Capability for interchanging lenses.

4. Method of providing interchangeability of lenses; i.e. manual method or dual-lens mechanism.

5. Screen-hood extension.

15. Ministry of Natural Resources—Specifications re: Microfilm reader/printer:

Must accommodate microfiche, film jackets and aperture cards.

Lenses: 24X and 30X.

Thermal printing process.

Ninety degree image rotation.

Optimum resolution required.

267. Mr. Cassidy: Would the Minister of Industry and Tourism table the "tenders list" and "blanket order" list in each ministry for microfiche readers? (Tabled June 14, 1979.)

Hon. Mr. Wiseman: The tenders list for each ministry is attached. No microfiche readers or printer/readers were purchased through blanket orders.

Ministry	Tenders List
Attorney General	AM International Inc. 3M Canada Ltd. Microfilm Recording Co. Ltd.
Civil Service Commission	Bell & Howell (Canada) Ltd. Kodak Canada Ltd. 3M Canada Ltd. MICR Systems Ltd. Micropublishing Services Canada Corp. Preston Microfilming Services Ltd. Sailer Micro Products Ltd. Standard Microfilm Corp. Ltd.
Colleges and Universities	Bell & Howell (Canada) Ltd. MICR Systems Ltd. Microfilm Recording Co. Ltd. Sailer Micro Products Ltd.
Community and Social Services	AM International Inc. Bell & Howell (Canada) Ltd. Computrex Canada Ltd. Kodak Canada Ltd. 3M Canada Ltd. Sailer Micro Products Ltd.

Ministry	Tenders List
Consumer and Commercial Relations	Bell & Howell (Canada) Ltd. 3M Canada Ltd. MICR Systems Ltd.
Correctional Services	AM International Inc. Bell & Howell (Canada) Ltd. Kodak Canada Ltd. MICR Systems Ltd. Microquip Ltd.
Education	Bell & Howell (Canada) Ltd. Canon Optic & Business Machines Kodak Canada Ltd. 3M Canada Ltd. Microfilm Recording Co. Ltd. NCR Canada Ltd. Preston Microfilming Services Ltd. Xerox Canada Ltd.
Environment	No tender called
Government Services	Bell & Howell (Canada) Ltd. Canadian Fidelity Sound Corp. Hughes Owens Co. Ltd. Kodak Canada Ltd. 3M Canada Ltd. Microfilm Recording Co. Ltd.
Housing	Albacor Micro Systems Ltd. Bell & Howell (Canada) Ltd. Computrex Centres Ltd. Hughes Owens Co. Ltd. 3M Canada Ltd. NCR Canada Ltd. Rapid Blue Print Ltd. Sailer Micro Products Ltd. Standard Microfilm Corp. Ltd.
Natural Resources	Bell & Howell (Canada) Ltd. Hughes Owens Co. Ltd. Keuffel & Esser Kodak Canada Ltd. 3M Canada Ltd. Microfilm Recording Co. Ltd. Standard Microfilm Corp. Ltd.
Revenue	No tender called
Transportation and Communications	AM International Inc. Bell & Howell (Canada) Ltd. Challenger Manifold Keuffel & Esser Kodak Canada Ltd. Microfilm Recording Co. Ltd. Preston Microfilming Services Ltd. Standard Microfilm Corp. Ltd.

GOVERNMENT PURCHASING

268. Mr. Cassidy: Would the Minister of the Environment table the ministry's "tenders list" and "blanket order" list for each item required by that ministry over the last two fiscal years? Would the minister categorize the companies on those lists as Canadian-owned or multinational according to the location of their head office? (Tabled June 14, 1979).

Hon. Mr. Parrott: The ministry does not have a formalized tenders list or blanket order list.

To provide a list of companies invited to bid on all items purchased by the ministry in 1977-78 and 1978-79 would be a phenomenal task. The cost of materials, supplies, equipment, services, et cetera in those two fiscal years was:

1977-78	$170,000,000
1978-79	$183,000,000
	$353,000,000

During that period a total of 24,000 purchase orders were issued. In each case it is likely that a minimum of six suppliers were asked to quote on the item required. This would lead to total vendor contacts in the order of 150,000. Thus, simply listing the suppliers invited to quote on the order would run to about 3,000 pages.

It is estimated that the cost of extracting the information would require four man-years of work and cost $60,000.

GOVERNMENT PURCHASING

269. Mr. Cassidy: Would the Minister of Industry and Tourism table the number and percentage of Canadian-owned and/or multinational companies bidding on contracts for microfiche readers in the last fiscal year? Would the minister table these figures by ministry? (Tabled June 14, 1979).

Hon. Mr. Wiseman: The following table contains the answer to the question.

Ministry	Canadian Companies		Multinational	
	Number	Percentage	Number	Percentage
Attorney General	1	33	2	67
Civil Service Commission	5	63	3	37
Colleges and Universities	3	75	1	25
Community and Social Services	2	33	4	67
Consumer and Commercial Relations	1	33	2	67
Correctional Services	2	40	3	60
Education	2	25	6	75
Environment	—	—	1	100
Government Services	2	33	4	67
Housing	5	56	4	44
Natural Resources	2	29	5	71
Revenue	1	100	—	—
Transportation and Communications	4	50	4	50

NANTICOKE CONTRACT

272. Mr. Cassidy: Will the Ministry of the Environment provide details of all visits by government personnel to the premises of Canadian Applied Technology from the calling of the tender for the first phase of the Nanticoke air quality monitoring system to the award of that contract to Radian Corporation? Will the ministry give the names and positions of government personnel who visited CAT premises, the dates of their visits, the purposes of the visits, and the names of the CAT personnel with whom they met? (Tabled June 18, 1979).

Hon. Mr. Parrott: The first CAT visit details are as follows:

(a) Government personnel visiting: Dr. G. Van Volkenburgh (Co-ordinator, Nanticoke Environmental Management Program, MOE).

(b) Date of visit: October 23, 1978 (afternoon).

(c) Purpose of visit: to examine and have demonstrated the field hardware subsystem which was proposed and to review CAT facilities already inspected.

(d) CAT personnel met: Mr. R. Harlow; CAT draftsperson (name not noted); CAT designer (name not noted); Mr. B. DeCarle (a CAT consultant); CAT electronics technician (name not noted); CAT receptionist (name not noted).

Second and third visits having to do with CAT were made to CAT's major subcontractor, Perkin-Elmer Data Systems, by mutual agreement between CAT and the ministry. This venue was chosen both times because the minicomputer subsystem CAT proposed was at this location (Malton, Ontario). It was necessary to visit this site in order to perform benchmark testing. Details of the second visit are as follows:

(a) Government personnel visiting: Dr. G. Van Volkenburgh (Co-ordinator, NEMP, MOE), and Mr. B. Izatt (Manager, Research and Development, Ministry of Government Services).

(b) Date of visit: January 9, 1979 (morning).

(c) Purpose of visit: To view minicomputer hardware and software proposed; to

run the benchmark tests supplied to CAT; to interview CAT regarding several parts of their proposal; and to discuss the proposed CAT software with CAT software engineers.

(d) CAT personnel met: Mr. R. Harlow; Mr. B. DeCarle (CAT consultant).

Details of the third visit regarding CAT are as follows:

(a) Government personnel visiting: Mr. B. Izatt (Manager of Research and Development, Ministry of Government Services); Mr. J. Polak (Scientific Systems Analyst, MOE); Dr. P. K. Misra (Project Scientist, NEMP, MOE); and Dr. G. Van Volkenburgh (Co-ordinator, NEMP, MOE).

(b) Date of visit: January 30, 1979 (morning and afternoon).

(c) Purpose of visit: exactly the same as the second CAT visit, for the second CAT proposal submitted.

(d) CAT personnel met: Mr. R. Harlow; Mr. B. DeCarle (CAT consultant).

NANTICOKE CONTRACT

273. Mr. Cassidy: Will the Ministry of the Environment provide details of all visits by government personnel to the premises of Radian Corporation in Texas and Radian of Canada Ltd. from the calling of the tender for the first phase of the Nanticoke air quality monitoring system to the award of that contract? Will the ministry give the names and positions of government personnel who visited CAT premises, the dates of their visits, the purposes of the visits, the names of the CAT personnel with whom they met, and the total costs of travel and other expenses incurred in the visits? (Tabled June 18, 1979.)

Hon. Mr. Parrott: The first Radian visit details are as follows:

(a) Government personnel visiting: Mr. B. Izatt (Manager, Research and Development, Ministry of Government Services); Mr. J. Polak (Scientific Systems Analyst, MOE); and Dr. G. Van Volkenburgh (Co-ordinator, NEMP, MOE).

(b) Date of visit: February 5 (all day) and 6 (morning), 1979.

(c) Purpose of visit: to examine and have demonstrated the field hardware subsystem which was proposed; to review Radian facilities; to interview Radian regarding several parts of their proposal; and to discuss the proposed Radian software with Radian software engineers.

(d) Radian personnel met: Mr. D. Orr; Mr. C. Shelton; Mr. D. Batson; electronics technician (name not noted); secretary (name not noted); receptionist (name not noted).

The second visit having to do with Radian was made to Radian's major subcontractor, Data General Limited, by mutual agreement between Radian and the ministry. This venue was chosen because the minicomputer subsystem Radian proposed was at this location (Atlanta, Georgia). Prior to the visit, it was verified that no extra charge would be incurred on airline tickets because of a return from Austin, Texas, to Toronto via Atlanta. Details of the visit are as follows:

(a) Government personnel visiting: Mr. J. Polak (Scientific Systems Analyst, MOE); Dr. G. Van Volkenburgh (Co-ordinator, NEMP, MOE); and Mr. B. Izatt (Manager, Research and Development, Ministry of Government Services).

(b) Date of visit: February 7, 1979 (morning).

(c) Purpose of visit: to view minicomputer hardware and software proposed, and to run the benchmark tests supplied to Radian.

(d) Radian personnel met: Mr. D. Orr.

The third visit having to do with Radian was made to a Data General minicomputer in Toronto which was used for the second test. The second test was necessitated by an ice storm causing intermittent power failures in Atlanta the day of the test and for some time thereafter, and by the fact that the machine was not available except on the day originally scheduled. Details of the third visit are as follows:

(a) Government personnel visiting: Mr. B. Izatt (Manager, Research and Development, Ministry of Government Services); Mr. J. Polak (Scientific Systems Analyst, MOE); and Dr. G. Van Volkenburgh (Co-ordinator, NEMP, MOE).

(b) Date of visit: February 12, 1979 (evening).

(c) Purpose of visit: exactly the same as the second Radian visit.

(d) Radian personnel met: Mr. D. Orr.

The first CAT visit details are as follows:

(a) Government personnel visiting: Dr. G. Van Volkenburgh (Co-ordinator, Nanticoke Environmental Management Program, MOE).

(b) Date of visit: October 23, 1978 (afternoon).

(c) Purpose of visit: to examine and have demonstrated the field hardware subsystem which was proposed and to review CAT facilities already inspected.

(d) CAT personnel met: Mr. R. Harlow; CAT draftsperson (name not noted); CAT designer (name not noted); Mr. B. DeCarle (CAT consultant); CAT electronics technician (name not noted); CAT receptionist (name not noted).

Second and third visits having to do with CAT were made to CAT's major subcontractor, Perkin-Elmer Data Systems, by mutual agreement between CAT and the ministry. This venue was chosen both times because the minicomputer subsystem CAT proposed was at this location (Malton, Ontario). It was necessary to visit this site in order to perform benchmark testing. Details of the second visit are as follows:

(a) Government personnel visiting: Dr. G. Van Volkenburgh (Co-ordinator, NEMP, MOE) and Mr. B. Izatt (Manager, Research and Development, Ministry of Government Services).

(b) Date of visit: January 9, 1979 (morning).

(c) Purpose of visit: to view minicomputer hardware and software proposed, to run the benchmark tests supplied to CAT, to interview CAT regarding several parts of their proposal, and to discuss the proposed CAT software with CAT software engineers.

(d) CAT personnel met: Mr. R. Harlow, Mr. B. DeCarle (CAT consultant).

Details of the third visit regarding CAT are as follows:

(a) Government personnel visiting: Mr. B. Izatt (Manager of Research and Development, Ministry of Government Services); Mr. J. Polak (Scientific Systems Analyst, MOE); Dr. P. K. Misra (Project Scientist, NEMP, MOE); and Dr. G. Van Volkenburgh (Co-ordinator, NEMP, MOE).

(b) Date of visit: January 30, 1979 (morning and afternoon).

(c) Purpose of visit: exactly the same as the second CAT visit, for the second CAT proposal submitted.

(d) CAT personnel met: Mr. R. Harlow; Mr. B. DeCarle (CAT consultant).

The costs of the visits are not easily computed, as salary rates are involved. Therefore, only non-salary costs (e.g., gasoline, airfare, motels, food, etc.) have been counted. The costs are as follows:

Radian visits one plus two: $1,723.56 (consists of airfare, motel, meals, and ground transportation).

Radian visit three: nil (within walking distance of ministry).

CAT visit one: $3 (consists of gas).

CAT visit two: $3.50 (consists of gas).

CAT visit three: $3.50 (consists of gas).

OHC LAND SALES

274. Mr. Dukszta: Would the Minister of Housing indicate what intention the Ontario Housing Corporation has respecting the 16 parcels of land referred to in the Globe and Mail report of June 11, 1979, by Ross Laver, entitled "OHC Could Lose Thousands if it Has to Sell Land"? (Tabled June 21, 1979).

Mr. Bennett: In accordance with government policy, OHC is considering the sale of any public housing sites surplus to its needs including the 16 parcels of land referred to in the Globe and Mail report of June 11, 1979.

Much of this land was purchased in the early '70s when the demand for government-assisted family and senior citizen rental housing projects was high. Over the past three years the demand for public housing projects has fallen considerably due, in part, to an expansion of non-profit housing in both the private and public sectors. Other factors include turnover rate in existing OHC portfolios and an increased emphasis on the rent supplement program.

The philosophy of the ministry at the present time is to rely more on the private sector to build integrated housing in communities. This is preferable to the concentrations of public housing projects of our past experience.

Some of the suggested market value figures for the land holdings quoted in the Globe and Mail, Wednesday June 11, 1979 were not accurate. In addition, it is considered they only represent the low end of the market range of about a year ago—a time when the housing market was at a low point.

Municipalities in which the land is located will be given an opportunity to purchase it before public tenders are called. If they don't wish to purchase these lands, public tenders will be called, subject to a reserve price, and any organizations, as well as co-operatives, will have the opportunity to bid on these lands.

SCHOOL BOARD FUNDING

276. Mr. Cunningham: (a) Would the minister inform the House as to the amount of capital funds allotted to each school board —public and separate—for each of the last five years? Further, (b) would the minister indicate the amount of capital funds which have been transferred from each public school board in the same area in cases in which the public school board has not spent its entire capital funding allocation? (Tabled June 22, 1979.)

Hon. Miss Stephenson: (a) see attached charts; (b) Information pertaining to the amount of capital funds transferred because of underspent allocations is not recorded in our files.

REGION 1

NORTHWESTERN ONTARIO

BOARD	1974	1975	($000) 1976	1977	1978
Boards of Education					
Atikokan	30.0	—	—	64.0	—
Dryden	1369.0	62.0	—	—	1120.0
Fort Frances-Rainy River	—	481.0	—	—	35.0
Geraldton	11.0	—	5.0	—	—
Kenora	2.0	17.0	—	741.0	27.0
Lakehead	556.0	300.0	42.0	728.0	—
Lake Superior	389.0	—	—	125.0	244.0
Nipigon-Red Rock	—	—	—	—	10.0
Red Lake	—	—	—	—	93.0
Roman Catholic Separate School Boards					
Atikokan District	—	—	—	—	—
Dryden District	—	—	—	—	—
Fort Frances-Rainy River District	—	650.0	—	99.0	—
Geraldton District	238.0	343.0	133.0	85.0	—
Kenora District	5.0	—	—	464.0	24.0
Lakehead District	659.0	216.0	—	829.0	40.0
North of Superior combined	—	738.0	121.0	66.0	—
District School Area Boards (Public Schools) (Isolates)					
The Allanwater					
The Armstrong					
The Auden					
The Camp Robinson					

REGION 2

MIDNORTHERN ONTARIO

BOARD	1974	1975	($000) 1976	1977	1978
Boards of Education					
Central Algoma	—	306.0	164.0	60.0	—
Chapleau	—	—	—	—	—
Espanola	30.0	—	—	—	—
Hornepayne	—	197.0	—	—	—
Manitoulin	—	300.0	12.0	90.0	—
Michipicoten	46.0	4.0	8.0	—	—
North Shore	—	2395.0	—	—	—
Sault Ste. Marie	335.0	732.0	—	518.0	13.0
Sudbury	405.0	365.0	—	562.0	—
Roman Catholic Separate School Boards					
Chapleau, Panet & Caverley Combined	—	—	—	—	—
Michipicoten District	—	248.0	21.0	—	805.0
North Shore District	21.0	—	—	—	7.0
Sault Ste. Marie District	134.0	172.0	—	481.0	156.0
Sudbury District	17.0	925.0	58.0	575.0	408.0
District School Area Boards (Public Schools)—(Isolates)					
The Asquith & Garvey					
The Foleyet					
The Franz					
The Gogama					
The Mill-Forest					
The Missarenda					

REGION 3

NORTHEASTERN ONTARIO

($000)

BOARD	1974	1975	1976	1977	1978
Boards of Education					
Cochrane-Iroquois Falls	310.0	400.0	146.0	—	—
East Parry Sound	133.0	47.0	—	50.0	—
Hearst	—	35.0	—	—	—
Kapuskasing	750.0	679.0	—	580.0	99.0
Kirkland Lake	450.0	381.0	8.0	—	—
Muskoka	—	1243.0	373.0	25.0	—
Nipissing	465.0	996.0	5.0	—	653.0
Timiskaming	277.0	141.0	—	—	491.0
Timmins	—	550.0	8777.0	—	—
West Parry Sound	—	16.0	—	—	—
Roman Catholic Separate School Boards					
Cochrane-Iroquois Falls District	—	—	—	5.0	17.0
Hearst District	—	389.0	39.0	—	—
Kapuskasing District	—	265.0	44.0	—	11.0
Kirkland Lake District	71.0	—	—	858.0	43.0
Nipissing District	528.0	286.0	98.0	1330.0	—
Timiskaming District	—	—	—	—	—
Timmins District	—	478.0	18.0	—	475.0

WESTERN ONTARIO

($000)

BOARD	1974	1975	1976	1977	1978
Boards of Education					
Bruce County	1019.0	100.0	27.0	1045.0	956.0
Elgin County	720.0	1109.0	—	484.0	—
Essex County	50.0	4283.0	6.0	—	—
Grey County	252.0	575.0	44.0	—	—
Huron County	873.0	321.0	—	—	100.0
Kent County	310.0	731.0	—	141.0	—
Lambton County	872.0	908.0	118.0	20.0	75.0
London	3024.0	792.0	2128.0	105.0	528.0
Middlesex County	980.0	1569.0	716.0	—	—
Oxford County	80.0	1037.0	—	—	—
Perth County	113.0	759.0	875.0	66.0	—
Windsor	238.0	1591.0	105.0	—	254.0
Roman Catholic Separate School Boards					
Bruce-Grey County	—	666.0	22.0	—	305.0
Elgin County	167.0	167.0	175.0	—	—
Essex County	16.0	—	9.0	—	—
Huron-Perth	50.0	285.0	—	—	—
Kent County	100.0	—	—	963.0	—
Lambton County	87.0	503.0	775.0	720.0	373.0
London & Middlesex Cty.	518.0	1394.0	35.0	860.0	48.0
Oxford County	50.0	—	722.0	100.0	—
Windsor	—	1246.0	80.0	64.0	—

CENTRAL ONTARIO

BOARD	1974	1975	($000) 1976	1977	1978
Boards of Education					
Brant County	811.0	1093.0	1044.0	—	925.0
Dufferin County	2594.0	594.0	—	—	—
Durham	1474.0	1839.0	79.0	1698.0	774.0
Haldimand	546.0	208.0	15.0	633.0	318.0
Haliburton County	—	—	—	—	—
Halton	4835.0	5873.0	—	3634.0	5594.0
Hamilton	1325.0	2115.0	697.0	395.0	252.0
Hastings County	1561.0	823.0	14.0	1798.0	11.0
Lincoln	82.0	1133.0	435.0	933.0	450.0
Niagara South	493.0	1083.0	3.0	117.0	1021.0
Norfolk	469.0	303.0	—	205.0	428.0
Northumberland & Newcastle	824.0	1545.0	94.0	1281.0	—
Peel	8649.0	27138.0	7880.0	4511.0	4474.0
Peterborough County	1001.0	773.0	—	1167.0	—
Prince Edward County	—	—	—	—	71.0
Simcoe County	3842.0	7080.0	827.0	220.0	1460.0
Victoria County	356.0	302.0	779.0	34.0	—
Waterloo County	2127.0	2601.0	2265.0	977.0	752.0
Wellington County	115.0	1426.0	—	542.0	—
Wentworth County	366.0	670.0	—	—	407.0
York County	649.0	3619.0	3350.0	863.0	375.0
Metropolitan Toronto School Board	26168.0	18642.0	10924.0	12034.0	8988.0
Roman Catholic Separate School Boards					
Brant County	596.0	30.0	233.0	—	—
Dufferin-Peel	7282.0	6681.0	5867.0	3882.0	4818.0
Durham Region	—	676.0	139.0	—	—
Haldimand-Norfolk	—	—	—	—	—
Halton	617.0	81.0	303.0	1059.0	3165.0
Hamilton-Wentworth	4454.0	3905.0	186.0	2524.0	305.0
Hastings-Prince Edward County	498.0	755.0	24.0	—	643.0
Lincoln County	320.0	1355.0	—	174.0	375.0
Metropolitan Toronto Sep. Sch. Bd.	11052.0	16932.0	5678.0	7364.0	8589.0
Peterborough-Victoria-Northumberland & Newcastle	12.0	429.0	39.0	998.0	677.0
Simcoe County	70.0	597.0	—	20.0	—
Waterloo County	360.0	1103.0	748.0	1711.0	90.0
Welland County	272.0	723.0	—	1095.0	1169.0
Wellington County	412.0	763.0	369.0	—	—
York Region	827.0	3898.0	3234.0	2049.0	2233.0
District School Area Boards (Public School Boards) — (Isolates)					
Penetanguishene Protestant Separate School Board					
Cardiff-Bicroft RCSS.					

EASTERN ONTARIO

BOARD	1974	1975	($000) 1976	1977	1978
Boards of Education					
Carleton	7967.0	4216.0	479.0	—	18812.0
Frontenac County	—	1179.0	1133.0	11.0	—
Lanark County	77.0	501.0	26.0	110.0	—
Leeds & Grenville County	—	222.0	89.0	—	689.0
Lennox & Addington County	989.0	6.0	—	438.0	8.0
Ottawa	1354.0	369.0	2053.0	—	—
Prescott & Russell County	422.0	255.0	501.0	2406.0	1158.0
Renfrew County	259.0	590.0	654.0	—	849.0
Stormont, Dundas & Glengarry	1000.0	3028.0	—	85.0	—
Roman Catholic Separate School Boards					
Carleton	3797.0	2670.0	3156.0	4409.0	3313.0
Frontenac-Lennox & Addington County	266.0	1651.0	182.0	1692.0	75.0
Lanark, Leeds & Grenville County	—	96.0	27.0	—	227.0
Ottawa	200.0	2302.0	1095.0	1750.0	759.0
Prescott & Russell County	356.0	254.0	—	—	—
Renfrew County	40.0	260.0	19.0	250.0	—
Stormont, Dundas & Glengarry County	571.0	696.0	78.0	54.0	—
District School Area Boards (Public School Boards) — (Isolates)					
Grattan Protestant Separate School Board					

X-RAY EQUIPMENT OPERATORS

197. Mr. Cassidy: Would the Ministry of Health advise how many persons are employed as operators of X-ray equipment in Ontario? Of these, how many are registered radiological technicians under the Radiological Technicians Act? (Tabled May 24, 1979. Interim Answer June 8, 1979. Approximate information available June 22, 1979).

Hon. Mr. Trimbell: Our answer to the above question reads as follows:

No. of clinics	Registered Technicians Employed	Non-registered Technicians Employed
352	619	62

Add the above information to the public hospital figures previously described in question 198 and the figure for the province is:

	Registered	Non-Registered
Private clinics (excluding government clinics)	619	62
Hospitals	1636	76
Total	2255	138

Therefore 94 per cent of those employed are registered.

NURSING HOME BEDS

224. Mr. Breaugh: Would the Minister of Health indicate to the House how many new nursing home beds he expects to be added to the existing stock in 1979-80 by county? (Tabled June 4, 1979).

Hon. Mr. Timbrell: Our response to the above question reads as follows: One hundred and sixty-nine additional nursing home beds which were awarded in past years are now available for public use in the 1979-80 fiscal year.

Nine, Simcoe county (in operation as of June 1979); 60, Kent county (in operation as of July 1979); 100, Thunder Bay (in operation as of September 1979).

In addition, approval has been granted for a further 58 nursing home beds in 1979-80. Twenty-eight in Timmins; 30 in Peterborough (proposals have been requested).

This includes beds announced to this date. Further announcements will be made in the near future.

HOMES FOR SPECIAL CARE

251. Mr. Dukszta: Would the Ministry of Health table in the House figures for each of the years 1975-1979 inclusive pertaining to the homes licensed under the Homes for Special Care Act for persons referred from psychiatric hospitals and mental retardation facilities as to: 1. the number and location of these homes; 2. the number of residents; 3. the number of available beds; 4. the length of any waiting list for those beds; 5. the mean, mode, and median length of resident

stay in such homes; 6. the discharge rate to, (i) home, and (ii) chronic care facilities; 7. the mean number of staff per home; 8. the total number of staff involved in the actual operation of the homes; 9. the standards or regulations concerning the operation of these homes; 10. the penalties involved for breaching such standards or regulations; 11. the number of field workers inspecting for conformity to these regulations and/or standards; and 12. the amount of money paid out for the per diem rates to home owners? (Tabled June 8, 1979).

Hon. Mr. Timbrell: Our response to the above question is as follows:

1. Number and locations* of homes for special care:
There are homes licensed under the HSC Act located in all catchment areas of the provincial psychiatric hospitals and retardation centres.

	Number of nursing homes	Number of residential homes
December 1975	236	288
December 1976	236	319
December 1977	233	295
December 1978	230	303
May 1979	229	313

*Given the large number of homes, it is impractical to list the location of each.

2. Number of Residents

	Number in nursing homes	Number in residential homes
December 1975	5735	1812
December 1976	5716	1867
December 1977	5541	1888
December 1978	5363	1971
May 1979	5224	2019

3. Number of available beds:

	Number in nursing homes	Number in residential homes
December 1975	5973	2028
December 1976	6173	2245
December 1977	5827	2144
December 1978	5476	2376
May 1979	5676	2439

4. The length of any waiting lists for these beds:

	Number of prospective residents awaiting admission to nursing homes	Number of prospective residents awaiting admission to residential homes
December 1975	24	3
December 1976	39	12
December 1977	25	7
December 1978	27	15
May 1979	27	38

Waiting lists are subject to vacancies being available in respective homes at any given time.

5. The mean, mode and median length of resident stay in such homes:

The Homes for Special Care Program provides for long-term care of residents discharged from provincial psychiatric hospitals and centres for the mentally retarded in nursing and private residential homes licensed under the Homes for Special Care Act.

The program admits residents from age six and up, and because of the orientation of the program, i.e. long-term care, the establishing of a median length of resident stay would be difficult. The program has been in existence now for nearly 15 years, with many residents having been in the homes for that period of time. The discharge rate from the program is approximately 7 per cent.

6. The discharge rate to: (i) home (ii) chronic care facilities:

(i) home (family or community):

For 1975 finishing December 31,	101
For 1976 finishing December 31,	97
For 1977 finishing December 31,	99
For 1978 finishing December 31,	134
For 1979 up to May 31,	66

(ii) Chronic care facilities:

No figures available, but it is considered to be only a very small number.

7. The mean number of staff per home:

Nursing homes—The mean number of staff is not a relevant statistic because the number of staff required in any home depends on variables—e.g. (a) the total number of nursing hours required for the care of the residents, (b) the number of residents in the home, (c) floor plans, re—bed positions, (d) whether visual observation aids are present—corridor mirrors et cetera.

Each home is therefore assessed by Ministry of Health nursing inspectors, based on the variables present and the standards written into the regulations.

Residential homes — These are generally small private homes with licensed capacities up to five or six persons and where the licensee is the person held responsible for the operation of the home, can be termed the "staff."

In the larger homes the licensee is assisted by one or two hired persons. But in the main it could be said that there is one staff person per home.

8. The number of staff involved in the actual operation of the homes:

Nursing Homes—Exact numbers of staff not available, but staffing requirements are calculated for each home using the criteria as defined in sections 52-56 Ont. Regulation 196/72 amended to Ont. Reg. 304/78.

Residential Homes—Currently there are 313 licensed homes. The host or hostess and adult members of his or her family are considered as staff averaging three persons per home involved in the care and supervision of residents.

9. The standards or regulations concerning the operation of these homes:

Nursing homes—as defined in the Nursing Homes Act 1972 and Ont. Reg. 304/78.

Residential homes—as defined in the Homes for Special Care Act, RSO 1970, and Regulation 438 RRO 1970 as amended to Ont. Reg. 890/74.

10. The penalties involved for breaching such standards or regulations:

Nursing homes—Penalties for contravention and breaching are provided for and described in the Nursing Homes Act 1972 sections 5 and 18.

Residential homes—Cancellation of licence by the minister as per section 29 Regulation 438, RRO 1970.

11. The number of field workers inspecting for conformity to these regulations and/or standards:

There are 26 field workers in the Homes for Special Care Program who report to the director of social work services in each psychiatric hospital. In addition, in central office we have a co-ordinator of the Homes for Special Care Program.

Fire safety and environmental inspection is provided by the inspection branch of the Ministry of Health.

12. Total transfers under the Homes for Special Care Program are as follows:

1975-76	$45,334,537
1976-77	$51,265,892
1977-78	$57,007,970
1978-79	$58,326,841

WASTE DISPOSAL COMPANIES

275. Mr. S. Smith: Does the Ministry of the Environment regard Superior Sanitation Limited and/or Frontenac Chemical Waste Service Limited as successor companies to Interflow Systems Limited? Have these companies been issued certificates of approval for operations formerly carried out by K-D Enterprises and by Interflow Systems Limited? Have these companies assumed any or all of the liabilities and responsibiilties of K-D Enterprises and of Interflow Systems Limited, including any liabilities that may result from charges presently before the courts? If not, why would such certificates of approval be handed over to Frontenac Chemical Waste Service Limited and/or Superior Sanitation Limited without other companies having had a chance to tender for these contracts and

what arrangements exist for Frontenac Chemical Waste Services Limited and/or Superior Sanitation Limited to assume the liabilities and responsibilities of Interflow Systems Limited and of K-D Enterprises? (Tabled June 21, 1979.)

Hon. Mr. Parrott: The companies mentioned have been issued certificates of approval for operations formerly carried out by K-D Enterprises and by Interflow Systems Limited. With respect to the issue of liabilities and responsibilities, our main concern is with respect to charges presently before the courts. We take the position that the legal obligations of the defendants under our statutes were not affected by the sale transactions.

We do not think it appropriate, or even possible, that tenders be called in these circumstances. To the extent that a certificate of approval might be regarded as an asset, it is clearly not an asset of the crown over which the crown exercises the kind of control which could allow it to arrange for tenders.

APPENDIX B

ALPHABETICAL LIST OF MEMBERS OF THE LEGISLATURE OF ONTARIO

(125 members)

Third Session of the 31st Parliament

Lieutenant Governor: Hon. Pauline M. McGibbon

Speaker: Hon. John E. Stokes **Clerk of the House: Roderick Lewis, QC**

Member	Constituency	Party
Ashe, G.	Durham West	PC
Auld, Hon. J. A. C.	Leeds	PC
Baetz, Hon. R. C.	Ottawa West	PC
Belanger, J. A.	Prescott and Russell	PC
Bennett, Hon. C.	Ottawa South	PC
Bernier, Hon. L.	Kenora	PC
Birch, Hon. M.	Scarborough East	PC
Blundy, P.	Sarnia	L
Bolan, M.	Nipissing	L
Bounsall, E. J.	Windsor-Sandwich	NDP
Bradley, J.	St. Catharines	L
Breaugh, M.	Oshawa	NDP
Breithaupt, J. R.	Kitchener	L
Brunelle, Hon. R.	Cochrane North	PC
Bryden, M.	Beaches-Woodbine	NDP
Campbell, M.	St. George	L
Cassidy, M.	Ottawa Centre	NDP
Charlton, B.	Hamilton Mountain	NDP
Conway, S.	Renfrew North	L
Cooke, D.	Windsor-Riverside	NDP
Cunningham, E.	Wentworth North	L
Cureatz, S.	Durham East	PC
Davidson, M.	Cambridge	NDP
Davis, Hon. W. G.	Brampton	PC
Davison, M. N.	Hamilton Centre	NDP
di Santo, O.	Downsview	NDP
Drea, Hon. F.	Scarborough Centre	PC
Dukszta, J.	Parkdale	NDP
Eakins, J.	Victoria-Haliburton	L
Eaton, R. G.	Middlesex	PC
Edighoffer, H. (Deputy Speaker and Chairman)	Perth	L
Elgie, Hon. R.	York East	PC
Epp, H.	Waterloo North	L
Foulds, J. F.	Port Arthur	NDP
Gaunt, M.	Huron-Bruce	L
Germa, M. C.	Sudbury	NDP
Gigantes, E.	Carleton East	NDP
Grande, A.	Oakwood	NDP
Gregory, Hon. M. E. C.	Mississauga East	PC
Grossman, Hon. L.	St. Andrew-St. Patrick	PC
Haggerty, R.	Erie	L
Hall, R.	Lincoln	L
Handleman, S. B.	Carleton	PC

Member	Constituency	Party
Havrot, E.	Timiskaming	PC
Henderson, Hon. L. C.	Lambton	PC
Hennessy, M.	Fort William	PC
Hodgson, W.	York North	PC
Isaacs, C.	Wentworth	NDP
Johnson, J.	Wellington-Dufferin-Peel	PC
Johnston, R. F.	Scarborough West	NDP
Jones, T.	Mississauga North	PC
Kennedy, R. D.	Mississauga South	PC
Kerr, G. A.	Burlington South	PC
Kerrio, V.	Niagara Falls	L
Lane, J.	Algoma-Manitoulin	PC
Laughren, F.	Nickel Belt	NDP
Lawlor, P. D.	Lakeshore	NDP
Leluk, N. G.	York West	PC
Lupusella, A.	Dovercourt	NDP
MacBeth, J. P. (Deputy Chairman and Acting Speaker)	Humber	PC
MacDonald, D. C.	York South	NDP
Mackenzie, R.	Hamilton East	NDP
Maeck, Hon. L.	Parry Sound	PC
Makarchuk, M.	Brantford	NDP
Mancini, R.	Essex South	L
Martel, E. W.	Sudbury East	NDP
McCaffrey, B.	Armourdale	PC
McCague, Hon. G.	Dufferin-Simcoe	PC
McClellan, R.	Bellwoods	NDP
McEwen, J. E.	Frontenac-Addington	L
McGuigan, J.	Kent-Elgin	L
McKessock, R.	Grey	L
McMurtry, Hon. R.	Eglinton	PC
McNeil, R. K.	Elgin	PC
Miller, Hon. F. S.	Muskoka	PC
Miller, G. I.	Haldimand-Norfolk	L
Newman, B.	Windsor-Walkerville	L
Newman, W.	Durham-York	PC
Nixon, R. F.	Brant-Oxford-Norfolk	L
Norton, Hon. K.	Kingston and the Islands	PC
O'Neil, H.	Quinte	L
Parrott, Hon. H. C.	Oxford	PC
Peterson, D.	London Centre	L
Philip, E.	Etobicoke	NDP
Pope, Hon. A.	Cochrane South	PC
Ramsay, R.	Sault Ste. Marie	PC
Reed, J.	Halton-Burlington	L
Reid, T. P.	Rainy River	L. LAB.
Renwick, J. A.	Riverdale	NDP
Riddell, J.	Huron-Middlesex	L
Rollins, C. T.	Hastings-Peterborough	PC
Rotenberg, D.	Wilson Heights	PC
Rowe, R. D.	Northumberland	PC
Roy, A. J.	Ottawa East	L
Ruston, R. F.	Essex North	L

Member	Constituency	Party
Samis, G.	Cornwall	NDP
Sargent, E.	Grey-Bruce	L
Scrivener, M.	St. David	PC
Smith, G. E.	Simcoe East	PC
Smith, S.	Hamilton West	L
Snow, Hon. J. W.	Oakville	PC
Stephenson, Hon. B. M.	York Mills	PC
Sterling, N. W.	Carleton-Grenville	PC
Stokes, Hon. J. E.	Lake Nipigon	NDP
Stong, A.	York Centre	L
Swart, M.	Welland-Thorold	NDP
Sweeney, J.	Kitchener-Wilmot	L
Taylor, G.	Simcoe Centre	PC
Taylor, J. A.	Prince Edward-Lennox	PC
Timbrell, Hon. D. R.	Don Mills	PC
Turner, J.	Peterborough	PC
Van Horne, R.	London North	L
Villeneuve, O. F.	Stormont-Dundas-Glengarry	PC
Walker, Hon. G.	London South	PC
Warner, D.	Scarborough-Ellesmere	NDP
Watson, A. N.	Chatham-Kent	PC
Welch, Hon. R.	Brock	PC
Wells, Hon. T. L.	Scarborough North	PC
Wildman, B.	Algoma	NDP
Williams, J.	Oriole	PC
Wiseman, Hon. D. J.	Lanark	PC
Worton, H.	Wellington South	L
Yakabuski, P. J.	Renfrew South	PC
Young, F.	Yorkview	NDP
Ziemba, E.	High Park-Swansea	NDP

MEMBERS OF THE EXECUTIVE COUNCIL

Hon. W. G. Davis	Premier and President of the Council
Hon. R. Welch	Minister of Energy and Deputy Premier
Hon. J. A. C. Auld	Minister of Natural Resources
Hon. R. Brunelle	Provincial Secretary for Resources Development
Hon. T. L. Wells	Minister of Intergovernmental Affairs
Hon. L. Bernier	Minister of Northern Affairs
Hon. J. W. Snow	Minister of Transportation and Communications
Hon. M. Birch	Provincial Secretary for Social Development
Hon. C. Bennett	Minister of Housing
Hon. F. S. Miller	Treasurer of Ontario and Minister of Economics
Hon. D. R. Timbrell	Minister of Health
Hon. H. C. Parrott	Minister of the Environment
Hon. B. M. Stephenson	Minister of Education
Hon. R. McMurtry	Attorney General and Solicitor General
Hon. L. C. Henderson	Minister of Agriculture and Food
Hon. K. C. Norton	Minister of Community and Social Services
Hon. F. Drea	Minister of Consumer and Commercial Relations
Hon. L. Grossman	Minister of Industry and Tourism
Hon. G. McCague	Chairman of Management Board of Cabinet and Chairman of Cabinet
Hon. L. Maeck	Minister of Revenue
Hon. R. C. Baetz	Minister of Culture and Recreation
Hon. D. J. Wiseman	Minister of Government Services
Hon. R. Elgie	Minister of Labour
Hon. G. Walker	Provincial Secretary for Justice and Minister of Correctional Services
Hon. M. E. C. Gregory	Minister without Portfolio
Hon. A. Pope	Minister without Portfolio

PARLIAMENTARY ASSISTANTS

Ashe, G. (Durham West)	Assistant to the Minister of Energy
Eaton, R. G. (Middlesex)	Assistant to the Minister of Transportation and Communications
Hodgson, W. (York North)	Assistant to the Minister of Housing
Jones, T. (Mississauga North)	Assistant to the Provincial Secretary for Social Development
Kennedy, R. D. (Mississauga South)	Assistant to the Minister of Education
Lane, J. (Algoma-Manitoulin)	Assistant to the Minister of Northern Affairs
McCaffrey, B. (Armourdale)	Assistant to the Minister of Culture and Recreation
McNeil, R. K. (Elgin)	Assistant to the Minister of Agriculture and Food
Rotenberg, D. (Wilson Heights)	Assistant to the Minister of Intergovernmental Affairs
Smith, G. E. (Simcoe East)	Assistant to the Minister of Industry and Tourism
Sterling, N. W. (Carleton-Grenville)	Assistant to the Attorney General
Turner, J. (Peterborough)	Assistant to the Minister of Health
Yakabuski, P. J. (Renfrew South)	Assistant to the Minister of Natural Resources

STANDING COMMITTEES OF THE LEGISLATURE

Procedural Affairs: Chairman, Breaugh, M. (Oshawa NDP); Vice-Chairman, Davidson, M. (Cambridge NDP); Charlton, B. (Hamilton Mountain NDP), Mancini, R. (Essex South L), Rotenberg, D. (Wilson Heights PC), Rowe, R. D. (Northumberland PC), Ruston, R. (Essex North L), Sterling, N. W. (Carleton-Grenville PC); Clerk, G. White.

General Government: Chairman, McCaffrey, B. (Armourdale PC); Vice-Chairman, Hodgson, W. (York North PC); Ashe, G. (Durham West PC), Charlton, B. (Hamilton Mountain NDP), Dukszta, J. (Parkdale NDP), Epp, H. (Waterloo North L), Handleman, S. B. (Carleton PC), Hennessy, M. (Fort William PC), Laughren, F. (Nickel Belt NDP), Mancini, R. (Essex South L), McEwen, J. E. (Frontenac-Addington L), McGuigan, J. (Kent-Elgin L), Samis, G. (Cornwall NDP), Scrivener, M. (St. David PC), Smith, G. E. (Simcoe East PC), Watson, A. N. (Chatham-Kent PC), Clerk, Mrs. F. Nokes.

Resources Development: Chairman, Villeneuve, O. F. (Stormont-Dundas-Glengarry PC); Bryden, M. (Beaches-Woodbine NDP), di Santo, O. (Downsview NDP), Eaton, R. G. (Middlesex PC), Gigantes, E. (Carleton East NDP), Havrot, E. (Timiskaming PC), Lane, J. (Algoma-Manitoulin PC), McNeil, R. K. (Elgin PC), Miller, G. I. (Haldimand-Norfolk L), Newman, W. (Durham-York PC), Reed, J. (Halton-Burlington L), Riddell, J. K. (Huron-Middlesex L), Taylor, J. A. (Prince Edward-Lennox PC), Van Horne, R. (London North L), Wildman, B. (Algoma NDP), Yakabuski, P. J. (Renfrew South PC); Clerk, A. Richardson.

Administration of Justice: Chairman, Philip, E. (Etobicoke NDP); Vice-Chairman, Renwick, J. A. (Riverdale NDP); Bradley, J. (St. Catharines L), Campbell, M. (St. George L), Cureatz, S. (Durham East PC), Johnson, J. (Wellington-Dufferin-Peel PC), Kerr, G. A. (Burlington South PC), Lupusella, A. (Dovercourt NDP), Rotenberg, D. (Wilson Heights PC), Roy, A. J. (Ottawa East L), Sterling, N. W. (Carleton-Grenville PC), Stong, A. (York Centre L), Swart, M. (Welland-Thorold NDP), Taylor, G. (Simcoe Centre PC), Williams, J. (Oriole PC), Ziemba, E. (High Park-Swansea NDP); Clerk, S. Forsyth.

Social Development: Chairman, Gaunt, M. (Huron-Bruce L); Vice-Chairman, Kerrio, V. (Niagara Falls L); Belanger, J. A. (Prescott and Russell PC), Blundy, P. (Sarnia L), Cooke, D. (Windsor-Riverside NDP), Grande, A. (Oakwood NDP), Johnston, R. F. (Scarborough West NDP), Jones, T. (Mississauga North PC), Kennedy, R. D. (Mississauga South PC), Leluk, N. G. (York West PC), McClellan, R. (Bellwoods NDP), O'Neil, H. (Quinte L), Ramsay, R. H. (Sault Ste. Marie PC), Rowe, R. D. (Northumberland PC), Sweeney, J. (Kitchener-Wilmot L), Turner, J. (Peterborough PC); Clerk, D. Arnott.

Public Accounts: Chairman, Reid, T. P. (Rainy River L); Vice-Chairman, Hall, R. (Lincoln L); Germa, M. C. (Sudbury NDP), Handleman, S. B. (Carleton PC), Leluk, N. G. (York West PC), Mackenzie, R. (Hamilton East NDP), Makarchuk, M. (Brantford NDP), Peterson, D. (London Centre L), Pope, A. (Cochrane South PC), Ramsay, R. H. (Sault Ste. Marie PC), Sargent, E. (Grey-Bruce L), Taylor, G. (Simcoe Centre PC); Clerk, A. Richardson.

Statutory Instruments: Chairman, Williams, J. (Oriole PC); Vice-Chairman, Cureatz, S. (Durham East PC); Davison, M. N. (Hamilton Centre NDP), Eakins, J. (Victoria-Haliburton L), McCaffrey, B. (Armourdale PC), McKessock, R. (Grey L), Rollins, C. T. (Hastings-Peterborough PC), Swart, M. (Welland-Thorold NDP); Clerk, S. Forsyth.

Members' Services: Chairman, Campbell, M. (St. George L); Vice-Chairman, Bounsall, E. J. (Windsor-Sandwich NDP), Jones, T. (Mississauga North PC), Newman, B. (Windsor-Walkerville L), Smith, G. E. (Simcoe East PC), Watson, A. N. (Chatham-Kent PC), Worton, H. (Wellington South L), Young, F. (Yorkview NDP); Clerk, D. Arnott.

SELECT COMMITTEES OF THE LEGISLATURE

Hydro affairs: Chairman, MacDonald, D. C. (York South NDP); Ashe, G. (Durham West PC), Belanger, J. A. (Prescott and Russell PC), Conway, S. (Renfrew North L), Cureatz, S. (Durham East PC), Foulds, J. F. (Port Arthur NDP), Gigantes, E. (Carleton East NDP), Haggerty, R. (Erie L), Hennessy, M. (Fort William PC), Leluk, N. C. (York West PC), Mackenzie, R. (Hamilton East NDP), Nixon, R. F. (Brant-Oxford-Norfolk L), Reed, J. (Halton-Burlington L), Williams, J. (Oriole PC); Clerk, A. Richardson.

Company law: Chairman, Breithaupt, J. R. (Kitchener L); Blundy, P. (Sarnia L), Cunningham, E. (Wentworth North L), Germa, M. C. (Sudbury NDP), Handleman, S. B. (Carleton PC), Hodgson, W. (York North PC), Laughren, F. (Nickel Belt NDP), MacBeth, J. P. (Humber PC), Reid, T. P. (Rainy River L), Renwick, J. A. (Riverdale NDP), Rotenberg, D. (Wilson Heights PC), Smith, G. E. Simcoe East PC), Van Horne, R. (London North L), Yakabuski, P. J. (Renfrew South PC); Clerk, Mrs. F. Nokes.

Ombudsman: Chairman, Lawlor, P. D. (Lakeshore NDP); Campbell, M. (St. George L), Eakins, J. (Victoria-Haliburton L), Havrot, E. (Timiskaming PC), Isaacs, C. (Wentworth NDP), Lane, J. (Algoma-Manitoulin PC), McClellan, R. (Bellwoods NDP), Miller, G. I. (Haldimand-Norfolk L), Taylor, J. A. (Prince Edward-Lennox PC), Villeneuve, O. F. (Stormont-Dundas-Glengarry PC); Clerk, A. McFedries.

CONTENTS

Thursday, October 11, 1979

Point of privilege re Hansard reporters: Mr. Gaunt ... 3293

Tabling copy of order in council re Board of Internal Economy: Mr. Speaker ... 3293

General Motors expansion, statement by Mr. Grossman ... 3293

Teacher-board disputes, questions of Mr. Davis: Mr. S. Smith, Mr. Conway ... 3294

Provincial control of resources, questions of Mr. Davis: Mr. S. Smith, Mr. T. P. Reid, Mr. Roy ... 3296

Hospital bed allocations, questions of Mr. Davis: Mr. Cassidy, Mr. Conway, Mr. B. Newman ... 3298

Gas and oil supplies, questions of Mr. Davis and Mr. Welch: Mr. Cassidy, Mr. J. Reed, Mr. Wildman ... 3299

Assault case, questions of Mr. McMurtry: Mr. Stong, Mrs. Campbell ... 3300

CAS funding, questions of Mr. Norton: Mr. McClellan, Mr. Wildman, Mr. Nixon ... 3301

Proposed judicial district for region of York, question of Mr. McMurtry and Mr. Drea: Mr. Hodgson ... 3302

French-language education, questions of Miss Stephenson: Mr. Roy, Mr. Bounsall, Mr. Sweeney ... 3303

Interest rates, questions of Mr. F. S. Miller: Mr. Laughren ... 3305

Fanshawe College, questions of Miss Stephenson: Mr. Van Horne ... 3305

Report, select committee on the Ombudsman: Mr. Lawlor ... 3306

Report, standing resources development committee: Mr. Villeneuve ... 3306

Motion re estimates, Mr. Wells, agreed to ... 3306

Resolution re private members' ballot, Mr. Wells, concurred in ... 3306

Motion re committee substitutions, Mr. Wells, agreed to ... 3306

Motion re sittings of the House, Mr. Wells, agreed to ... 3306

Notice of dissatisfaction with answer to oral question: Mr. Stong ... 3306

Ontario Bible College and Ontario Theological Seminary Act, Mr. Williams, first reading 3307

Dinorwic Metis Corporation Act, Mr. Hennessy, first reading ... 3307

Smith Brothers Jewellers Limited Act, Mr. Sterling, first reading ... 3307

City of Hamilton Act, Mr. Mackenzie, first reading ... 3307

City of Cornwall Act, Mr. Samis, first reading ... 3307

Tabling answers to questions on Notice Paper, Mr. Wells ... 3307

Point of order re tabling of answers: Mr. Breaugh ... 3307

Private members' public business on Employment Standards Amendment Act: Mr. Charlton, Mr. Hennessy, Mr. Van Vorne, Mr. Mackenzie, Mr. Ramsay, Mr. McGuigan, Mr. Bounsall, Mr. Foulds ... 3308

On Resolution 29 re interest payments: Mr. Rotenberg, Mr. Ruston, Mr. Makarchuk, Mr. Wiseman, Mr. Eakins, Mr. Samis, Mr. Hennessy, Mr. T. P. Reid, Mr. J. Johnson 3319

Resolution 29 concurred in 3332

Business of the House, Mr. Wells 3332

Adjournment 3333

Erratum 3333

Appendix A, answers to questions on Notice Paper 3333

Appendix B, alphabetical list of members of the Legislature, members of the executive council, parliamentary assistants and members of committees 3333

SPEAKERS IN THIS ISSUE

Bolan, M. (Nipissing L)
Bounsall, E. J. (Windsor-Sandwich NDP)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Charlton, B. (Hamilton Mountain NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J. (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Epp, H. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Gaunt, M. (Huron-Bruce L)
Gigantes, E. (Carleton East NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Hennessy, M. (Fort William PC)
Hodgson, W. (York North PC)
Johnson, J. (Wellington-Dufferin-Peel PC)
Laughren, F. (Nickel Belt NDP)
Lawlor, P. D. (Lakeshore NDP)
MacBeth, J. P.; Acting Speaker (Humber PC)
Mackenzie, R. (Hamilton East NDP)
Makarchuk, M. (Brantford NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
Peterson, D. (London Centre L)
Ramsay, R. H. (Sault Ste. Marie PC)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Rotenberg, D. (Wilson Heights PC)
Roy, A. J. (Ottawa East L)
Ruston, R. F. (Essex North L)
Samis, G. (Cornwall NDP)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Swart, M. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Van Horne, R. (London North L)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)
Wiseman, Hon. D. J.; Minister of Government Services (Lanark PC)



No. 81

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Friday, October 12, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

FRIDAY, OCTOBER 12, 1979

The House met at 10 a.m.

Prayers.

VISITOR

Mr. Speaker: I would like to draw to the attention of all members of the House that we have in the Speaker's gallery a very distinguished guest and fellow parliamentarian, Mr. Brian Alleyne, Attorney General for Dominica. Would you please welcome him to our assembly?

STATEMENTS BY THE MINISTRY

TOURISM SUPPORT

Hon. Mr. Grossman: Mr. Speaker, in the presence of more distinguished guests, those being representatives of Tourism Ontario, who are in the gallery this morning, I wish to take this opportunity to announce a major new program to support the tourism industry in this province.

The members of this Legislature know well the importance of tourism to this province. It is a $5-billion industry, one of the province's largest employers and second only to the automotive sector in terms of income generation. We have been concerned about the industry's disappointing performance in previous years and, in particular, the steady deterioration of the tourism deficit since 1974. But we believe there is a tremendous opportunity open to us now to reverse that trend.

Tourism in Ontario has experienced a very good year, with American travel this summer up by over two per cent and the number of overseas visitors to the province up by at least 24 per cent. Several factors have contributed to the industry's success in 1979, including the lower value of the Canadian dollar compared to the US, European and Japanese currencies and the gasoline uncertainties experienced in the United States.

The ability to capitalize on these opportunities in the longer term will require a significant effort on the part of tourist operators to provide the facilities and attractions demanded by both domestic and international travel customers. Our government is determined to assist the travel industry in assessing the province's physical plant and, from this base, encouraging the upgrading, renovation and expansion of facilities where investments are likely to succeed. The need to renovate and upgrade existing plants, as well as construct new facilities, is an urgent priority. To achieve this goal we must find ways to make money available to operators, and at reasonable interest rates.

The Ontario Development Corporation will, of course, continue to offer financial assistance through their highly successful direct loans program. In addition, however, I wish to announce today that the Employment Development Board has agreed to provide loan guarantees totalling $15 million and direct funding of $3.5 million to finance a comprehensive new tourism development incentive program designed to provide tourist operators in Ontario with access to the necessary financial resources.

Mr. Laughren: I would have thought the Treasurer (Mr. F. S. Miller) would have made this announcement.

Hon. Mr. Grossman: This program contains five key elements:

One, it will provide guarantees of loans to a maximum of $500,000 for a period of up to 15 years to finance new developments and the upgrading of existing facilities.

Two, it will provide interest-rate subsidies of five per cent for those loans guaranteed for five years, declining one per cent each year thereafter.

Three, it will assist in refinancing by way of extended-term loan guarantees, without interest subsidy, for those operators in need of such assistance and making a significant contribution to their own local economy.

Four, it will offer financing to assist Canadians in buy-outs of existing operations.

Five, it will provide tourism marketing and promotion assistance in the form of working capital financing of up to $25,000 with a maximum five-year term.

Assistance through this program will be available to Canadian residents, or Canadian-controlled companies looking to purchase the assets of existing tourist operations, expand or renovate existing facilities, or develop new facilities.

Applicants may approach the development corporations directly, or be referred by either private lenders or tourism development officers.

The development corporations and the tourism division of my ministry will review the proposed investment, buy-out or refinancing proposal, and will negotiate the final package and commitments.

Staff of the development corporations will then assist the applicant in approaching private lenders with a guarantee or subsidy approval.

Financing packages involving loans up to $250,000 will be processed by the development corporations and approved by the appropriate board on an agency basis. Loans in excess of $250,000 will be referred to the Employment Development Board for their approval.

Applications for assistance under this program will be received up to December 31, 1982.

The program is designed to support those proposals which meet the objectives of our tourism division. To this end, all applications will be carefully reviewed and assistance will be provided on a selective basis to those projects likely to make a substantial contribution to tourism development in Ontario. Full consideration will be given to management, market opportunities and the impact on the local economy.

I would like to urge tourist operators to respond quickly to this new program, and assure them that their applications will be dealt with quickly.

We believe that this initiative will be instrumental in ensuring a very substantial upgrading of facilities across the province and that it will be particularly valuable in helping to develop major destination resorts which can appeal to the growing demand for that type of facility.

The Employment Development Fund was established to stimulate industries—including tourism—in all parts of the province.

This program will provide new incentives to those regions of Ontario which rely heavily on the development of the tourist sector. It will provide significant opportunities for increased employment and will, unquestionably, have a favourable effect on our tourism deficit.

ASSISTANCE FOR DOMINICA

Hon. Mr. Wells: Mr. Speaker, I'd like to inform the members of the House today of the government of Ontario's contribution to international relief efforts on the island of Dominica in the Caribbean.

The government of Ontario is contributing $20,000 to Dominica through the Ontario division of the Red Cross. I presented this cheque this morning to representatives of the Red Cross, represented today by Sybil Geller, a vice-president of the Canadian Red Cross Association, and members of the Dominican association.

As you have already indicated, sir, the government of Dominica is represented here this morning also by the Honourable Brian Alleyne, the Attorney General, who expressed the appreciation of the government of that country for the help and the many other things the people of Ontario and Canada are doing about the disaster that struck their area.

Hurricane David struck Dominica, a country of 90,000 people, on August 29. It devastated a large portion of the southern part of the island where the capital Roseau is located and many of the populated communities are situated. It is estimated about half the population in that country is homeless, with the greatest loss coming through the destruction of the country's agricultural industry, especially the banana and coconut crops.

It is my hope, Mr. Speaker, this contribution from this province, along with many others, will further assist the valiant relief operations in this devastated area.

ORAL QUESTIONS

RADIATION EXPOSURE

Mr. S. Smith: Mr. Speaker, a question for the Minister of Health:

How can it be that no study has been done in the Port Hope area of the long-term effect of radiation which, as we know, is the consequence of certain landfill practices in that area, consequent upon the Eldorado Nuclear operations?

How can it possibly have occurred that with all the hubbub; with all the money being spent transferring the landfill and so on; with a report by one competent physician that he suspected and was concerned about an increase in cancer, which he thought he detected, that no study has been done of the effects, short term and long term, on the people living in the Port Hope area? What happened? How was that overlooked?

Hon. Mr. Timbrell: Mr. Speaker, all of the analyses done at the time and since then of the cancer-related deaths in that community have to lead one to the conclusion that an in-depth epidemiological study, for scientific reasons, could not be substantiated.

You will recall in 1976 the physician in question did write to my predecessor, who responded in great detail at the time, giving the then most current statistical data and, in fact, asking questions about the basis of the data submitted by the physician. By the way, I am told those questions were never answered.

At the time, I should add, a federal-provincial task force was established to oversee the cleanup in the area. This task force involved the AECB, the Energy, Mines and Resources department in Ottawa, the Department of National Health and Welfare and representatives from the provincial government in the persons of Dr. Fitch and the Minister of Labour.

More recently, the same physician made essentially the same allegations. I am advised that in discussions with representatives in the Ministry of Labour, which comprises our experts on radiation in the province, with the Ontario Cancer Treatment and Research Foundation, that again, the statistics that have been kept on a regular basis do not show any scientific basis for such a study. In fact, they show the incidence in the area is somewhat lower in many cases than one would expect, looking even at the provincial norms.

When the matter was raised again, I contacted the federal Minister of Health, Mr. Crombie, and suggested this federal-provincial task force, which fortunately was meeting yesterday, be asked to review the matter again.

It concerns me, Mr. Speaker, notwithstanding the lack of a scientific basis to do such a study, the allegations keep recurring and, of course, the people in that community understandably are concerned about the future of their community and their persons.

I have indicated to Mr. Crombie, notwithstanding the lack of any scientific basis on which to carry out such a study, in the interest of that community and the people in that community, a full epidemiological study should be done to put the matter to rest once and for all.

[10:15]

Mr. S. Smith: By way of supplementary: Since the minister continues to refer to a so-called lack of scientific basis, by which I presume he means that no one can prove as of now by a cursory examination of the statistics that the cancer rate is higher, and given the fact that people have been exposed to radiation sufficient to cause a very large amount of landfill to be moved a very great distance, as he knows, does it not seem reasonable to him that the people in that community should have been followed to see what the leukemia incidence was, to see what the cancer incidence was, and that they should be followed no matter where they move in Canada or elsewhere, to find out over the years what happens in that kind of situation so they know their legal situation should it arise and so they know whether they are part of a group that has been excessively exposed, compared to ordinary citizens?

How can the minister sit back and do nothing and finally act simply because this doctor continues to generate publicity on the matter?

Hon. Mr. Timbrell: It is categorically untrue that nothing has happened. The Leader of the Opposition will know that the Ontario Cancer Treatment and Research Foundation receives all the information on an ongoing basis from the ministry, from Hospital Medical Records Institute data. I suggest that perhaps the honourable member take a look at the last annual report of the cancer treatment and research foundation, which gives all the information: by county, by sex, the year and so forth.

The fact of the matter is that there is no scientific basis on which to subject the community to this and to carry out that kind of a study. What I am saying is that I think the long-term interests of that community must be assuaged and put to rest.

Mr. Breaugh: A supplementary question, Mr. Speaker: I would like to ask the minister what reporting system he has put in place—and I recognize the problem, that people from Port Hope and Cobourg will go to Peterborough, Oshawa and Belleville for treatment by a physician—so that an individual physician can report to a central source any indications which he might consider to be beyond the norm; so that, if he has a patient from Port Hope who in his professional opinion, might be suffering because of low-level radiation, he can report that information to a central collecting agency? Has the minister done that?

Hon. Mr. Timbrell: Mr. Speaker, in every community there is a medical officer of health, who is well known to all the local practitioners; any trends of any kind that a physician feels are worthy of being followed up will be reported to the officer of health or directly to the ministry.

Cancer data are kept on an ongoing basis by the cancer treatment and research foundation; so really it is extensively covered.

Mr. S. Smith: By way of final supplementary, if I might, Mr. Speaker: Since I have very little confidence in the minister's

grasp of what an epidemiological study is, does the minister not understand that these citizens have to be followed over the course of many years, wherever they move; that an effect large enough to show up in the county statistics would be a massive effect among the few people exposed to the radiation? Does he not understand the need to follow it?

May I ask him simply this—and this is all I want to know, really—

Hon. Mr. Timbrell: Let me answer it then.

Mr. Speaker: Order.

Mr. S. Smith: Precisely what questions will be answered by the study?

Hon. Mr. Timbrell: I have not had an indication yet from the federal government that they are agreeing to this, but I have every reason to believe that they will, at which point we will then design it. I would expect to rely heavily on the cancer treatment and research foundation and on our own epidemiologists in the ministry. I am not an epidemiologist; but neither, for that matter, is my friend across the way.

But it is interesting to know, for instance, that at the time the matter first came to light, a number of families were visited in the area by a representative of the Ministry of Labour at the time and asked to come to Toronto to have extensive tests done on a body count, which I think was actually the term used. Half of the people approached did come to Toronto, and the other half did not come. Those who were tested were found to be well below the normal.

HAMILTON EXPRESSWAY

Mr. S. Smith: A question if I might for the Minister of the Environment: Can he guarantee, Mr. Speaker, that a proper environmental assessment will be done under the Environmental Assessment Act or the Environmental Protection Act before the Red Hill Creek expressway is given a go-ahead in the Hamilton area?

Hon. Mr. Parrott: I think, Mr. Speaker, that likely will be a municipal undertaking. It will be a municipal road—

Mr. S. Smith: Regional.

Hon. Mr. Parrott: —a regional road.

I think it depends on two things. The first is the willingness of the region to request such an assessment. Obviously if we received a request we would be more than prepared to anticipate and co-operate. On the other hand, at this moment we have not, as a government policy, yet applied the Environmental Assessment Act to the regions. Therefore I can't give a guarantee that it will be done under the Environmental Assessment Act.

We are hoping that in the near future this will apply to the regional municipalities.

Mr. S. Smith: By way of supplementary: Is the minister prepared just to sit back and wait for the region to ask for this? Does he not recognize that one of the reasons the Red Hill Creek expressway route has been chosen by the region seems to be because they feel it's cheaper there? The reason it's cheaper is that much of that land was purchased early and was to be kept for conservation and environmental purposes—as a green space in the middle of an industrial city.

Under the circumstances does the minister not feel some need to protect the environment generally, wherever the environment is? Can he not act to make sure that an Environmental Protection Act type of hearing is introduced before the matter proceeds?

Hon. Mr. Parrott: As I said, I think it's to some degree a matter of time until all such projects will be under the act. That's my position and the government's position and we are proceeding towards that end. It seems a little difficult at this moment to single out one particular project when there are others that would equally apply. The member knows our position that we want the municipalities and this kind of project under the Environmental Assessment Act so we are moving directly. We have been to the PMLC to make this case. I don't think there's any foot-dragging at that level.

I think it becomes a matter of timing. If the member is asking me if I would like to see it done, it's an easy thing to say yes to that.

Ms. Bryden: Supplementary: Could the minister say if it isn't true there will be considerable provincial funds going into such an expressway if it is approved? Is it not therefore incumbent on the provincial government to make sure the project has a proper environmental assessment and its impact is known before those provincial funds are committed?

Secondly, since the Environmental Assessment Act was passed in 1975, it seems to me there should be a date very soon by which it will be applied to regions and municipalities. Can he not give us that date yet?

Hon. Mr. Parrott: I can't give a specific date but as I said earlier, we are working towards that and expect it in the near future. I think it would be remiss to suggest the present process does not concern itself with

the environmental assessment. Indeed it does.

The Ministry of Transportation and Communications has perhaps, outside of the act, the best method of assessing of any of the ministries. I think my colleague, the member for Oakville (Mr. Snow), might be pleased to hear me say that. They do a thorough job of investigating the environmental impact outside of the act, so it would be, I think, wrong to suggest there is no study being done on it until it comes under the Environmental Assessment Act itself. There is a lot of work done by MTC.

Mr. M. N. Davison: Mr. Speaker, if the minister can move back from the general responses to the Leader of the Opposition's question to the specific, is the minister not saying that if there is no request from the regional municipality of Hamilton-Wentworth there will be no guarantee of an environmental study?

Wouldn't the minister say that if he is unwilling to guarantee a study, then this government, through his ministry, has absolutely no commitment whatsoever to protecting the environmental resource there in the city and the citizens have no guarantee whatsoever that their concerns will be heard before any body, and doesn't that put the skids to the whole Environment ministry in this province?

Mr. Warner: That's the truth; that's what is behind it.

Hon. Mr. Parrott: No. The member is talking about a study and also, at the same time, talking about a hearing. I tell him unconditionally there is a great deal of study done by the Ministry of Transportation and Communications. That is different from being under the act.

I can only repeat that the regions and municipalities will be coming under the act. It is a matter of timing. I wouldn't be at all surprised that this could very easily be heard under the act. I think to pick one out of a large number and apply the act here is not fair and not reasonable.

To come to the last point, whether or not we have any concern, nothing could be further from the truth. Of course, we have, but there is a normal procedure, and I am pleased to tell the members that just a matter of a couple of months ago another region applied on a voluntary basis for a development loan to come under the Environmental Assessment Act. It is kind of nice when we see those who believe in the process, as you do and I do, come in, and it would be nice if we had that kind of support throughout Ontario. It is kind of nice to see that thing happening. It has happened in one region.

Mr. M. N. Davison: Pass a law.

An hon. member: Let's have a guarantee.

Hon. Mr. Parrott: It has happened. I think those people have the same kind of commitment to the environment, and I would encourage them, encourage them to apply under the act. It is there now for their protection, as well as the balance of Ontario. It will eventually be mandatory, but I would like to think we are moving to a stage in this province where people see the advantages of that act and aren't doing it unwillingly, but indeed willingly.

Mr. Gaunt: Supplementary: Would the minister not agree that it is not necessary for the municipality to request a hearing before the ministry can go ahead and hold a hearing, if it so desires? Why doesn't the minister do that? He has our support.

Hon. Mr. Parrott: Why don't we request of them?

Mr. Gaunt: Why don't you have the hearing? You don't have to have the request.

Mr. Warner: It is called leadership.

Hon. Mr. Parrott: I have tried to explain, I guess over and over this morning, that it is always the right of the municipality to do so on a voluntary basis, and to single one out prior to when it will apply to everyone seems to me both illogical and unfair.

There are other projects in the province that are of equal importance, and we are going towards the policy, as members well know, of having all of them come under the act—all of them—and at that time there is no doubt they will apply. But surely to pick one out now doesn't make a great deal of sense.

It should apply to all of them, and that is the position we are taking. That is where we are going.

HOSPITAL BED ALLOCATIONS

Mr. Cassidy: I have a question for the Minister of Health. Can the minister say what action the government is going to take in response to the Wellesley Hospital's senior staff, who came to him in August to report that they have had to make bed cuts of 180 beds this summer, and that those cuts, due to the ministry's spending restraints, were imposing intolerable strains on their ability to provide adequate patient care?

Hon. Mr. Timbrell: First of all, I did meet with the delegation, made up of representatives of the medical staff and of the administration of the hospital. This was a few weeks

after we had increased the budget of that hospital by $688,000 to take account of growth in the life-support activities in the hospital, and which raises their budget to a level of approximately $31,250,000 for this current fiscal year.

During the course of the meeting and in subsequent correspondence—and I think it was a very good discussion—it was made clear they wanted to make clear their concerns with respect to the next fiscal year, that they want to maintain quality of program in that hospital.

[10:30]

Mr. Warner: That's the problem.

Hon. Mr. Timbrell: All of the beds they closed for the summer were reopened I think by September 11, mid-September anyway. They are back in full operation, as are all hospitals, and I assured them we would continue to do everything possible—

Mr. Warner: Send a note to the patients.

Hon. Mr. Timbrell: —to take their needs into account and to recognize them the next fiscal year. This, of course, is quite different from the method which the New Democratic Party put out on September 12 where they tried to—not tried, they said people had died in that hospital as a result of the restraints. The hospital doesn't support that statement of their health critic or of their party. I think they owe an apology to that hospital.

Mr. Warner: The hospital is hurting because of your cuts and you know it.

Mr. Cassidy: The hospital report is on the basis of last year's cuts. Thirteen patients were adversely affected and they found that of those patients, three had died, perhaps not due to the cuts. We're not sure.

Hon. Mr. Timbrell: Oh, that's a little different.

Mr. Cassidy: In view of the fact that over the course of this summer the hospital reported to the ministry that two or three times a day patients were having to be sent to other hospitals because of lack of beds and emergency patients were having to wait for hours until they could find some way to deal with them because of the shortage of beds, does the minister not agree patient care was adversely affected at the Wellesley Hospital this summer because of the cutbacks that were due to his ministry's restraints?

Hon. Mr. Timbrell: I won't take the time of the House to quote it verbatim, but I invite the member for Ottawa Centre to go back and—

Mr. Warner: Just confess.

Hon. Mr. Timbrell: —look at Hansard for June 11 when representatives of that hospital appeared—

Mr. Warner: Try answering the question.

Hon. Mr. Timbrell: —before the standing committee on social development. That medical advisory committee, as is their responsibility, have been keeping a close tab on the quality of care in that hospital. I think if they had been able to conclude from their survey that people had died or people had been seriously impaired as a result, they would have said so.

Mr. Warner: They did.

Hon. Mr. Timbrell: In that report, which the member opposite had for two weeks and about which he didn't even call the hospital to check, they did not say that.

Mr. Warner: Oh, yeah. Nice try.

Mr. Kerrio: Supplementary: Mr. Speaker, I would like to direct a question to the minister as it relates to the great expense that many hospitals across the province have been put to in getting surveys made in order to study the economics of the cutbacks.

Mr. Cassidy: That is not a supplementary.

Mr. Kerrio: Has the minister, in his ministry, ever addressed himself to some help to hospital—

Mr. Speaker: The original question dealt specifically with the Wellesley Hospital.

Mr. Kerrio: I think it's a supplementary, Mr. Speaker. It has to do with the bed cutbacks.

Mr. Cassidy: Supplementary: When the Wellesley Hospital met with the minister six weeks ago, they reported the total number of beds closed in Toronto hospitals makes it increasingly difficult to arrange for the admission of Wellesley patients to other hospitals. Since they stated records of these cases are being maintained and they demonstrate serious effects on patient care, and since that was six weeks ago, has the Ministry of Health asked the Wellesley Hospital for the specifics about the serious effects on patient care? What action is the minister taking about that?

Hon. Mr. Timbrell: The board of that hospital is responsible for that hospital. They have been and will be discussing the quality of care in their—

Mr. Martel: Give us a lecture.

Hon. Mr. Timbrell: —hospital with their medical advisory committee. If that hospital administration under Mr. Thornton, or the board, under Mr. Hamilton, feel they have a problem that needs to be rectified, they will not hesitate. They will not hesitate to

come forward and say so, as is the case with any other hospital.

Mr. Speaker: A new question? Final supplementary.

Mr. Cassidy: Is the minister saying the Ministry of Health takes no responsibility for monitoring the quality of patient care across the province and will only respond when complaints come to this party from hospital administrators or from health-care workers across the province?

Hon. Mr. Timbrell: Mr. Speaker, that is absolutely ridiculous. For once, they should do their research.

Mr. Warner: The research is accurate. Why don't you tell the truth?

Hon. Mr. Timbrell: There was a time when that party was supposed to be known for good research. I looked at that report the other day, I looked at those kinds of statements this morning. What do they do for research. Do they pull some statements from newspapers? That's about all.

The law is very clear. Every hospital must have a medical advisory committee. It is the responsibility of every hospital board in every community to involve the community.

Mr. Cassidy: You're neglecting the problems out there.

Hon. Mr. Timbrell: The honourable member would have somebody believe that he or anybody could run all 250 hospitals from one office at Queen's Park. The fact of the matter is the hospitals belong to the community. The hospitals are responsible for the operations there if there is a problem. Yes, we're in the hospitals all the time.

Mr. Warner: The problems are there and you know it.

Hon. Mr. Timbrell: The accreditation counsellors are in the hospitals all the time.

Mr. Wildman: Responsibility without money is ridiculous.

Mr. Swart: If there's no problem you take the credit; if there's a problem you blame the hospitals.

Hon. Mr. Timbrell: If we perceive a problem, of course we draw it to their attention. The fact of the matter is that the hospital boards and the medical staff of the hospitals of this province are keeping an ongoing daily watch on their operations—

Mr. Warner: They're watching it deteriorate.

Hon. Mr. Timbrell: —and, as problems arise, they don't hesitate to say so and we don't hesitate to help them to correct them.

Mr. Warner: You're totally incompetent.

Mr. Speaker: Since the minister himself has broadened the parameters of the question, I'll allow a supplementary from the member for Niagara Falls.

Mr. Kerrio: Supplementary: Has the minister ever considered helping hospitals throughout the province with the studies they've been forced to make now, many of them going outside of Canada to hire people to perform these studies? Has he ever considered helping various hospitals do their studies at an economical rate to the individual hospitals across the province?

Hon. Mr. Timbrell: I'm pleased to answer that question. I would have been happy to answer it before.

First of all, I know of no hospital that has gone outside of Canada.

Mr. Kerrio: Niagara Falls used an American firm.

Hon. Mr. Timbrell: Outside of Canada, there are Canadian firms, of course, that operate in the United States and there are some American firms that operate here, but there is quite a large array of firms available.

Mr. Martel: Multinational consulting firms.

Mr. Kerrio: I like to buy Canadian.

Hon. Mr. Timbrell: Yes, we have. As a matter of fact, 15 to 18 months ago we gave a grant of a quarter of a million dollars to the Ontario Hospital Association to develop its own cost-effectiveness program. Hospitals now have a choice between going to the private sector or calling in the hospital association.

Mr. Wildman: A quarter of a million? That's what the Sault Ste. Marie General Hospital's deficit is going to be next year.

Hon. Mr. Timbrell: Either way we're finding that in every case where a hospital has done this it has been able to find very significant and large sums of money that can be redirected to other programs by cost-effectiveness measures.

GAS AND OIL SUPPLIES

Mr. Cassidy: I have a question for the Minister of Energy. In view of the fact that despite the minister's assurances yesterday, company spokesmen were saying to the press that they can't guarantee enough fuel to cope with emergencies, such as a refinery breakdown, can the minister say what contingency plans the government has in case a fuel oil shortage does appear over the course of this winter in Ontario?

Mr. Ashe: There's an awful lot of hot air available from over there.

Hon. Mr. Welch: I think it's very important and, in fact, incumbent on us that we not become the source of undue alarm in a subject matter of this importance. It's very important that we understand that the answer yesterday was based on the best information that was available to the ministry with respect to the security of supply for the current season.

I'm sure that it's not beyond the capability of the honourable leader of the NDP to imagine all sorts of situations, international incidents and so on—

Mr. Wildman: Where are your contingency plans?

Hon. Mr. Welch: —that indeed might alter that particular information, but at the moment I'm satisfied, on the basis of the information I have, that we are in a satisfactory position as far as the current season is concerned.

Mr. Warner: You sound like Dennis the Menace behind you.

Hon. Mr. Welch: As members know, in the event of some shortage of supplies, there is federal legislation in place in so far as allocation is concerned. I would say at this time that I would hope that the honourable member would not, as he raises these questions, suggest in any way that there is anything but a satisfactory situation at the moment, barring exceptional circumstances.

Mr. Warner: You have no plans.

Mr. Cassidy: Supplementary: I have to say to the minister that I can't share entirely his confidence, in view of the fact that in the gasoline area BP closed its stations on the seventh and eighth of this month because of a refinery breakdown in Clarkson.

Mr. Speaker: Question.

Mr. Cassidy: My question is if the ministry has no contingency plans, will the ministry at least agree to share its information on oil supply and availability, which it has through monitoring and through the National Energy Board, so that individuals and companies across the province can make their own contingency plans since the ministry has none?

Hon. Mr. Welch: To speak directly to that question, whatever information we have is available on that particular subject. I repeat, as far as I am concerned, on the basis of information I have from very responsible sources, the situation is in hand for the current heating season.

Mr. J. Reed: I am sure the minister has been in his office now long enough to know what is happening and what the trends are: the fact that domestic supply is declining.

Mr. Speaker: Has the minister been in his office long enough?

Mr. J. Reed: I'll get to the question, Mr. Speaker. Thank you for your indulgence.

Mr. Breithaupt: You'd better hurry.

Hon. Mr. Welch: I have a short answer to that one.

Mr. J. Reed: While admittedly without a breakdown in the supply system we may get by for this year, what about next year, what about the year after and the year after that, where the obvious change is taking place on an accelerating basis?

Hon. Mr. Welch: Mr. Speaker, I think the member does the House a favour in raising a question like that. Certainly, that has to be the subject matter of the discussion this House is going to engage in next Tuesday, as we think in terms of the long range and security of supply, and as we think in terms of the policy enunciated by the Premier with respect to Ontario's contribution to national crude oil self-sufficiency. All of these things are, in fact, there to be attended to and to be addressed, involving as they do the whole area of conservation and the search for alternative sources of fuel.

Mr. Warner: You've got enough questions to be on the opposition side.

Hon. Mr. Welch: As we develop this, I don't think everybody has all the answers, but together in some type of discussion there are people who are at work. Indeed, our position is quite clear in papers which I am going to table later on today with respect to this whole question of security of supply.

Mr. Cassidy: Mr. Speaker, in view of the minister's confidence, can he explain why his officials in the Ministry of Energy have repeatedly refused information on oil supply and pricing to members of the NDP caucus when that information has been paid for by the taxpayer, comes from the National Energy Board and is freely available to the multinational oil companies in this country? Why doesn't he make that information available?

Mr. Warner: Right on; another secret file.

Hon. Mr. Welch: Mr. Speaker, I repeat what I said. It is my understanding that during the time of the discharge of responsibilities by the member for Carleton East (Ms. Gigantes), who is the energy critic, there has been the fullest co-operation between the staff of the Ministry of Energy and the member and her staff.

I can assure the members that whatever information we have which is not specifically labelled from its source as not for public discussion will be made available.

Interjections.

ASSAULT CASE

Mrs. Campbell: Mr. Speaker, my question is to the Attorney General. In view of the fact that we now understand that the Attorney General has read the transcript in the Wardle case, can he tell this House whether in fact His Honour Judge Addison made a statement to the effect—and I am quoting from this morning's Globe and Mail—"that he wasn't going to be any nosier than he had to be about what was behind the assault, but that if an ordinary citizen was before him he would want to know."

Hon. Mr. McMurtry: The report in the Globe and Mail is not a precise quotation from the transcript. I will read what the judge said; it is fairly brief:

"I must say that were it any other person before me for this offence with those facts the one question I would want to ask is obvious. I am not going to insist that it be answered. I am not going to ask that anything more be told me, except that reading between the lines I think that a conditional discharge would be the more proper disposition here, Mr. Hamilton"—Mr. Hamilton being the defence counsel. "There is no need to report, but I prefer to leave it at that. There are some questions unanswered in my mind."

"Mr. Hamilton: You're the judge; you can pass whatever sentence you want."

"Court: I have given my reasoning. Mr. Wardle, conditional discharge, probation for three months with the usual terms in the code."

That's what was said according to the transcript I have, Mr. Speaker.

[10:45]

Mrs. Campbell: Mr. Speaker, is the Attorney General satisfied now with the way in which this matter was handled, as he professed to be yesterday?

Hon. Mr. McMurtry: What I said yesterday, and will repeat, is I am quite satisfied the crown counsel handled the matter properly. So far as the judge is concerned, all I can say is I don't understand quite what was meant by the judge. I don't know precisely what he meant, quite frankly. Not knowing what he was referring to, I certainly have difficulty in commenting on a statement—

Mr. Swart: You should find out.

Hon. Mr. McMurtry: I have no intention of calling the judge. I realize people across the aisle feel there is nothing wrong in calling judicial officials but I think we, on this side of the House, do have some respect for the principle of the independence of the judiciary and I think the member for St. George respects that principle.

The crown attorney in this case made it clear, if you want me to read into the evidence as to what the crown attorney said—and I have some difficulty in understanding what the judge meant by his statement—the crown attorney read in the evidence relating to a charge of common assault. As the member for St. George well knows, in any charge there are a number of circumstances and on a plea of guilty some of the facts are admitted and some aren't. In this particular case there were certain facts admitted to in relation to the charge of common assault. Those facts were read into the record. Why the judge said what he did, I cannot offer any explanation.

Mr. Peterson: In view of these questions that have been raised, not only about this case but about other cases in his bailiwick, and in view of the fact that several people now and press reports are questioning the impartiality of the administration of justice in this province at this time, doesn't the Attorney General feel he should refer this—

Interjection.

Mr. Peterson: Of course it's true. What is this whole conversation about? Doesn't he feel he should refer this to the chief judge for a complete investigation of this particular incident?

Hon. Mr. McMurtry: No, I don't, Mr. Speaker.

Mr. S. Smith: Final supplementary: I'm sure it's a particularly amusing situation we find ourselves in. At this particular moment I just happen to feel somewhat serious about the matter, if you'll forgive me.

Mrs. Campbell: Are you proud?

Mr. S. Smith: Does the Attorney General not recognize, as the person responsible for the administration of justice in Ontario, that when a judge says he is willing to accept a certain procedure by which facts do not necessarily come before the court, that he is willing to accept that procedure in the case of one type of person, a procedure he seems to admit he would not accept in the case of another type of person, that it will appear to the citizens of Ontario as being two different kinds of justice?

Does the Attorney General not recognize that would be terribly damaging and does he not recognize, therefore, that he has a responsibility to speak to the judge and, once

he has clarified the matter, issue some kind of statement so the judge will know the Attorney General's opinion on the matter and people will be instructed as to how to deal with this type of situation in future?

Hon. Mr. McMurtry: Mr. Speaker, I will repeat what I said outside the Legislature in response to certain questions that were put to me by our friends in the media.

Mr. T. P. Reid: They're all shaking their heads on that.

Hon. Mr. McMurtry: I said inasmuch as some people would choose to place an interpretation on the judge's remarks because the accused was in political life, an elected person, the interpretation that some placed on this is that he was, therefore, being treated differently. I said outside the House, and I'll repeat it today, as far as I am concerned if that is what the judge intended to say—and it's not clear to me—then I would have to totally disagree with that.

Mr. Peterson: Why doesn't the Attorney General find out?

Hon. Mr. McMurtry: Obviously, all individuals have to be treated the same, regardless of their particular place in society.

Mrs. Campbell: How do you propose to work that out?

Hon. Mr. McMurtry: I say for the record, as far as I am concerned, the proper principle of sentencing is all people must be treated equally to the extent to which that is humanly possible.

Mr. Peterson: What is the Attorney General going to do about it?

Mr. T. P. Reid: Justice isn't being seen to be justice.

USE OF CONSULTANTS BY HOSPITALS

Mr. Breaugh: I have a question of the Minister of Health. Will the minister tell us how much money is being spent by Ontario hospitals on the use of consultants, particularly private consultants, on the insistence of his ministry? Can he confirm that the American firm of Naus-Newlyn has drawn better than $2 million out of five hospitals so far this year?

Mr. Kerrio: That's a supplementary.

Hon. Mr. Timbrell: No, Mr. Speaker, I can't. I can check into it for the member. I might say we've been very pleased that the hospitals which are either using the Ontario Hospital Association's cost-effectiveness program or using private sector consultants have, in fact, been able to identify millions and millions of dollars that can be spent in more effective ways. In other words, certain services and the quality of services can be maintained by doing them in a more cost-effective manner and, thereby, freeing up money that can then be applied to new services or other programs in the hospital.

I think it's good management to have, from time to time, an external review. As a matter of fact, they might even consider having an external review of their research in that party. It might do them some good.

Mr. Breaugh: A supplementary: Is it the minister's opinion that the cost of these consultants should be public knowledge, or should it be kept private?

Hon. Mr. Timbrell: No, it should be public knowledge. I would be glad to do it. There are 250 hospitals in the province.

Mr. Warner: It's a good profit for the Americans.

Hon. Mr. Timbrell: I would remind the member, first of all, that any fees paid are one-time fees and the savings would accrue year after year, so in fact it's a good investment in the future of an individual hospital and of the health-care system. It makes good sense in the management of the system.

BURNING OF PCBs

Mr. Kennedy: I have a question of the Minister of the Environment, regarding the ministry's proposal to burn PCBs at St. Lawrence Cement. We don't want this. It involves not only Clarkson and Mississauga, it's not only a provincial matter, it's national and international.

The federal government initially, as I understand it, brought forward the first studies. I'm asking the minister if he would consult with his federal counterpart to see if the federal government would join in the joint-venture funding program whereby a proper disposal facility can be built to treat, not only PCBs, but all industrial wastes in some more remote area of this province where there would be less hazard to the health of the communities.

Hon. Mr. Parrott: I am more than prepared to consult with my federal counterpart on this matter. On Tuesday next, or when estimates open, we'll have a fairly extensive statement on liquid waste disposal.

I should say at this time that any such proposal I would support would be on the basis that we co-operate to the stage of having the facility developed and, once it is developed, then the running and the operation of that facility should be by the private

sector and the cost of treatment should be paid for by the private sector. I doubt if that is at odds with the member's belief, but those would be the conditions under which we would negotiate such facilities. There are some facilities now in the province for incineration, but certainly not for PCBs.

Mr. Kennedy: A supplementary, Mr. Speaker: while we welcome what the minister has said with respect to the estimates coming up and so on, he said he would be willing to consult with the federal counterpart; will he consult with them?

Hon. Mr. Parrott: I meant one and the same, yes.

Mr. Wildman: A supplementary to the first question: If any consideration is given to establishing facilities in remote areas, can the minister assure us that all such facilities will undergo environmental assessment and will not be established in any area without the consent of the local inhabitants?

Hon. Mr. Parrott: Mr. Speaker, I gave that commitment months ago.

Mr. B. Newman: I would ask if the minister's officials have visited the facilities in Texas for the burning of various types of industrial and toxic wastes. Also, is he aware of the report developed by the commissioner for the environment in the city of Windsor, who has studied that both on the state and city levels—that is, the state of Michigan which attempted to develop a facility as well as the facilities in Houston, Texas?

Is the minister aware that Michigan is going to develop a facility because there is no commercial company interested in developing such a facility at the present time?

Hon. Mr. Parrott: As a matter of fact, I have already been to Texas. I have seen that particular installation personally and there is much merit in it.

I am persuaded that the better approach is to have a facility that is run and operated by the private sector and that the Ministry of the Environment be the enforcement officers to make sure the facility is run in such a manner that it meets our guidelines.

DISPOSAL OF HAZARDOUS WASTES

Mr. Kerrio: I have a question of the Minister of the Environment as well, Mr. Speaker.

Would the minister help me, citizens' groups of the Niagara Frontier on both sides of the border, the town of Niagara-on-the-Lake—which might be of interest to parties over there—and interested citizens of New York state, Ontario and Canada, to put a stop to the issuing of a permit to SCA Chemicals to dump two million gallons per day of supposedly treated chemicals into the lower Niagara River?

Would the minister contact his counterparts in Ottawa, his kissing cousins Flora McDonald and John Fraser, to strongly oppose the issuing of such a licence in the pollution of this great heritage of ours at Niagara?

Hon. Mr. Parrott: This isn't a new subject by any stretch of the imagination, either for the member opposite or for my colleague, the Minister of Energy. The minister wants me to correct the record from "it might be of some interest" to "it has, it will be and will forever be" of great interest and concern. He has expressed those concerns many times, both at the hearings and privately, and he has done an excellent job of making his views known, as indeed the honourable member has, on this subject.

There is one other correction I think I should put in to the question, and that is "supposedly" treated. If it isn't treated, we would be very, very upset and concerned. Our main concern is to make sure it is treated waste.

A more important part of the question is whether or not we would intervene in those hearings directly, and we have said no, we would not. I am quite prepared to consult with the federal member.

Mr. Kerrio: You are doing nothing.

Hon. Mr. Parrott: Nothing could be further from the truth. I think the member would agree no permit has been issued. Hearings are going on but that is a long way from the statement that the permit is issued. It almost implies, with respect, that the permit is issued. We have no idea. No one at this moment has any idea whether a permit ever will be issued for that particular site.

[11:00]

The ministry has been at those hearings consistently; they have been protracted but we've been there. We are persuaded that before that inquiry body all of the appropriate questions have been asked. What the decision will be is another matter. As for whether the hearing has been complete and full, we are persuaded it has been. I ask, what would be the advantage of asking the same questions all over again? The case has been well put by many of the proponents and many of the opponents. So the board is not without full understanding of the situation.

Mr. Kerrio: Supplementary: Is the minister aware of the fact that the Department of Energy Conservation of New York state and

a representative, Mr. Franc Graybar, has told my office in Niagara Falls that if such a permit is given, this chemical company will self-monitor its so-called treated effluent? Based on their past record, an indictment here three pages long where they didn't control PCBs and they have been fined $1,000, $5,000 and $15,000, are we going to let that company monitor that discharge and is his ministry going to sit and let it happen—and the ministry in Ottawa?

I say it's time the minister stood tall and told them that we are not going to allow another drop to be put in the Niagara River unless we know what goes in.

Hon. Mr. Parrott: I would ask the member opposite then to be very, very consistent. Because if we say to our American friends there will not be another drop of treated effluents put in—

Mr. Kerrio: Monitored treated effluent.

Hon. Mr. Parrott: Oh, but the honourable member said not another drop in that system and that's what brought the support from his party members.

But if we are going to be consistent on this, it's a large system and it means not another single drop of effluent shall be put in the Great Lakes system both north and south of the border. I say to the honourable member if we take that approach in this country we will close down not only the province but North America.

Mr. Kerrio: I said monitored.

Mr. S. Smith: Oh, come on.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Parrott: Perhaps, Mr. Speaker, I should remind the members opposite, and I thought it was known by all, that the vast majority of the sewage treatment plants in this province put the treated effluent into the streams and lakes here and the Great Lakes basin. Of course, we do, because it is treated. Where else would you put it?

Mr. Kerrio: But it's monitored.

Hon. Mr. Parrott: Exactly.

Mr. Breithaupt: We're getting a lot of primary right now.

Mr. Breaugh: We've got a suggestion here.

Hon. Mr. Parrott: You can't take the position that no treated effluent should be put into the receiving bodies of Ontario.

Mr. Breithaupt: But he is taking the position.

Mrs. Campbell: But he is.

Mr. T. P. Reid: And he's going to be Attorney General? You're getting as fuzzy as he is.

Mr. Kerrio: You're giving these people a licence to poison the river, that's what you are doing.

Hon. Mr. Parrott: We have monitored that system. I have said this before. I have said that we have monitored that great resource. Last week as I opened a plant in another part of the Great Lakes system, I called that system the greatest resource of North America and we're going to protect it at all costs. But that doesn't mean there will be no effluent put in there. It means that treated effluent will be put in there. We will maintain the high quality. We have a strong commitment, a policy paper that says we will not permit the water of this province to be degraded beyond its present condition and, indeed, we will maintain it at all times and upgrade it.

We will monitor, we'll step that monitoring up as much as it is necessary to do. That is an unconditional commitment, but the member must please rationalize in his own mind how he could possibly suggest that there would be no effluent put into those receiving bodies. It isn't a physical possibility.

Ms. Bryden: The minister seems to be relying on local citizens' groups to carry the ball at these hearings and to put up the arguments against a very well-heeled, large corporation. Would he provide some funding for the Canadian residents who are appearing to make sure that the arguments put before these hearings are full and complete?

Hon. Mr. Parrott: Mr. Speaker, approximately two weeks ago the member for Niagara Falls brought in a delegation of the mayor and other interested citizens. I thought that meeting was most fruitful.

At that time we made a commitment that we would technically review the transcript and would assist the citizens' group in its assessment of the information that has been put forward. That was a commitment that the mayor and, I believe, the balance of that delegation were pleased to receive, and they were happy with it.

We are prepared to do that. We are not prepared to give direct dollars to the citizens' group, especially when much of that would go to the American group itself rather than to the Canadian group.

PRICING OF BILL COPIES

Mr. M. Davidson: Mr. Speaker, a question for the Minister of Labour: Is the min-

ister aware that if one were to go to the government bookstore and purchase a copy of Bill 70, printed in English, the cost to that person would be 35 cents, but if he went to the same government bookstore to purchase a copy of Bill 70 in French, the price would be $1? Can the minister explain the differential of 65 cents between two copies of the same bill?

Hon. Mr. Elgie: Mr. Speaker, I was not aware of that difference; I do not support it, and I will look into it.

Mr. M. Davidson: Supplementary: While the minister is looking into that price differential—and I certainly hope it does not exist to pay for the translation costs—will he also look into why it is that the regulations under Bill 70 are available at the government bookstore in English but are not available to the public in French? Let him tell us why.

Hon. Mr. Elgie: I will be glad to look into that as well.

COAL PURCHASES BY ONTARIO HYDRO

Mr. Sargent: Mr. Speaker, I have a question for the new Minister of Energy, the most decorated kamikaze pilot—

Mr. Conway: The revolving door of the Treasury bench.

Mr. Sargent: It reminds me of the guy who got a new boomerang and couldn't get rid of the old one.

With regard to the long-term contract between Ontario Hydro and Thunder Bay Terminals for the construction of a $71.5-million facility for the bulk handling of Alberta and British Columbia coal, will the minister advise if he plans to welsh on this contract by threats to the Alberta government of not honouring the contract to buy Alberta coal? Does he plan to buy Canadian coal or to buy from the United States?

Hon. Mr. Welch: Mr. Speaker, on the one hand, from the old boomerang, all the former commitments, or whatever the commitments are, will be honoured. As the honourable member mentioned, they are commitments from Ontario Hydro; so there is really no change. As he knows, the acquisitions are a mixture of both Canadian and American coal; those details are well known. Whatever the present arrangements are, they will be maintained.

Mr. Sargent: Supplementary: The Globe and Mail of September 25, 1979, reported that the parliamentary assistant (Mr. Ashe) to the Ontario Minister of Energy, and other good Canadians in the government, had decided that Ontario Hydro does not need any more Alberta coal. "Mr. Ashe said Ontario Hydro is doing very well, thank you, in getting all the coal it needs from the United States. 'The imported coal is cheaper,' he says."

An hon. member: Buy Canadian.

Interjections.

Mr. Sargent: He says, "We always try to buy Canadian, but there is a limit to what we can do."

Interjections.

Mr. Sargent: Why are we supporting a $71.5 million—

Interjections.

Mr. Speaker: Order, order.

Mr. Sargent: Why are we involved in a $71.5 million contract with this facility, if we are not going to use it for Hydro?

Hon. Mr. Welch: It is obvious there is some misunderstanding as to what the parliamentary assistant said.

I think if you were to examine the Ontario position with respect to coal, you will find that the statement made recently at the conference in the west does not alter the present situation. The parliamentary assistant, representing me at the conference, was simply indicating that we didn't see any increase, and that is the important word, an increase in the acquisition as far as that source was concerned at present. The commitments were in place, and so I can assure you that there has been no change in the provincial position.

REPORTS

STANDING GENERAL GOVERNMENT COMMITTEE

Mr. McCaffrey from the standing general government committee reports the following resolution resolved in supply in the following amount, and to defray the expenses of the Office of the Assembly be granted to Her Majesty for the fiscal year ending March 31, 1980:

Office of the Assembly program ..... $19,095,400.

ENERGY POLICY PAPERS

Hon. Mr. Welch: May I take this opportunity in the proceedings this morning to table two policy statements, the first entitled Oil Pricing and Security, A Policy Framework for Canada, dated August 1979; and a second statement entitled Energy Security for the '80s, A Policy for Ontario, bearing the date September 1979.

I would ask that these two policy papers be put on the Order Paper for purposes of discussion next Tuesday, as announced and indicated by the House leader in his statement of yesterday.

MOTIONS

CITY OF HAMILTON ACT

Hon. Mr. Wells moved that Bill Pr8, An Act Respecting the City of Hamilton, be withdrawn from the administration of justice committee and be referred to the general government committee.

Motion agreed to.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF INTERGOVERNMENTAL AFFAIRS
(continued)

On vote 603, local government affairs program item 1, local government:

Mr. Chairman: When we were previously discussing these estimates, I believe the member for Wentworth had the floor.

Mr. Isaacs: That is my understanding, Mr. Chairman.

Resuming a debate which was going on, on June 11, there is still something that I have to learn to do as well as my colleagues, but I reviewed where I was on June 11, and I am sure the minister has reviewed that too, and I hope he will respond to the points that I raised at that time.

There have been a couple of events that have taken place since then, however, that I want to refer to now. I want also to continue with a substantial number of new points that I didn't have time to get to on June 11.

[11:15]

With regard to annexation, since June 11 we have had an announcement from the minister regarding a new procedure for dealing with annexation. I want to say to the minister that I think the procedure is a bold and imaginative step and I hope that it works. I wish I could be very optimistic but, unfortunately, I'm not convinced that the setup that we have now, where municipalities are inevitably in competition with each other, is going to help in making that bold, imaginative step for negotiation towards annexation work as well as the minister seems to hope. I would certainly welcome any comments the minister might wish to make about his hopes for the Brantford situation.

The information I have is that there is very little hope that anything short of the final step in the new procedure will solve the Brantford situation. I hope that it does, but if the new procedure flounders in Brantford then it is off to a pretty poor start and may not have too much hope in the rest of the province.

I want to say that the minister still hasn't dealt with the fundamental question that I believe the government has to come to grips with, that is why should annexation take place at all and on what basis should municipal restructuring be considered. Until municipalities have some idea of why they should transfer the lands between themselves or why boundaries should be shifted or why expanded municipalities should be set up in some areas and not in others, then the guidelines for the negotiations are just not there and a battleground is virtually inevitable.

I want to suggest to the minister that it is pretty fundamental that the official plan for the province that we talked about last time be put in place so that municipalities can understand what the province feels is in store for them for the next 25 or 50 years and so that that too can be taken into account when considering the structure of municipal government in each of the areas.

It has come to my attention that the minister and his staff are involved in local government restructuring studies in a number of parts of this province. One that arrived on my desk today relates to the Hearst to Smooth Rock Falls area of northern Ontario. I welcome the initiative that is going on and want to suggest that it should be going on in a much more public way than it is at the present time. I hope the minister can inform us of all the areas right across the province at which his staff is taking a look in terms of restructuring. I would include in that the regional municipalities that have already been studied. How many of those regional review reports are still being looked at by Intergovernmental Affairs staff and how many have been put on the shelf to gather dust and will not be acted on at any time in the future?

There are some problems with regional government in most regional municipalities. I want to ask the minister specifically about two. In the Ottawa-Carleton region, it is my understanding that one municipality has asked the minister if he will permit that municipality to secede from regional government. I want to ask the minister what his response is going to be to that and why his response will be the way it is.

I have a suspicion the minister's response will be no, but it seems to me that if municipalities are going to be forced into regional government structures that they are not happy with, then they need to be given pretty compelling reasons for that. Most municipalities have difficulty understanding any reasons at all, let alone compelling reasons.

In Hamilton-Wentworth, at the moment, we have a somewhat different situation. It's basically a dispute between two municipalities that started as being a dispute between the town of Stoney Creek and the city of Hamilton over extended store hours. That has now engulfed the entire region and all municipalities have taken a position on one side or the other.

I want to say to the minister that I was very disturbed when he came down, apparently unilaterally, on the side of one of the municipalities and opposed to the other. I'd like to ask the minister on what basis that judgement was made, why he decided that store hours should be made a regional matter in Hamilton-Wentworth.

Hon. Mr. Wells: Because the region asked.

Mr. Isaacs: The region asked but other municipalities within the region opposed. Is the minister saying to us that if regional council in Hamilton-Wentworth, by majority vote, asks for one-tier regional government he will automatically put it in place because regional council asks? Is that how decisions are made; that if regional council asks they get, and the views of the others who are on the opposing side are not taken into account?

I think we have a serious problem of approach there, Mr. Minister, and I hope that you'll expand a little more fully on what it is the region asks for and gets, and what it is the region asks for and does not get.

I mentioned last time matters of waste disposal, local boards and licensing. I'm particularly concerned about the licensing issue because a lot was made by your predecessor of the licensing provisions, and of the revenue source that municipalities make of licensing. I'd like to hear your views on that.

I'd like to hear your views, too, on the pinball machine issue, and on the matters I raised concerning uniform enforcement of building codes. I'd add to that some problems that have come to my attention recently concerning the rights of consumers—purchasers of new homes—to protection if the municipality hasn't properly enforced the building codes on the home they're purchasing.

However, there are some other matters that I wanted to touch upon as well. The first of those is conflict-of-interest legislation. I'm well aware that you've been engaged in numerous discussions with groups representing municipal bodies and with groups representing school trustees. There's no doubt in my mind that the present conflict-of-interest legislation has to be changed, but it concerns me greatly that it is the people who are affected by that legislation who are going to be forced to declare their conflict of interest in various circumstances and who are being asked what the conflict-of-interest legislation should be.

I'm concerned, too, that so many of them seem to have no trust in their fellow elected officials. It bothers me that the proposals I have seen for revisions to conflict-of-interest legislation are in fact tightening it up quite dramatically. I hope that at some time there will be a proposal from the minister that is not necessarily just a proposal as presented to him by MLC or by AMO, but which is in fact a proposal that represents government policy about the responsibilities of municipal elected officials. I think that's something this House should be deciding and the people of Ontario should be deciding, rather than leaving it entirely in the hands of the elected officials who are going to come under that legislation.

I know that kind of thing is a difficult issue to deal with, and I know there were great hopes when the present act was put in place that it would deal with things in a satisfactory manner. It concerns me if we're going to be moving into a situation where the rights of a municipal elected official or a school trustee to participate in debate are going to be even more restricted, particularly when you are dealing with fairly major issues.

I want to inquire, for example—and it is only an example—whether, if you were dealing with a major street widening, you would automatically exclude from debate and vote on that issue every councillor or alderman who happened to live within 400 feet of that street? That's the kind of thing that I get out of the latest proposals I've seen. It bothers me, because that is denying many people in the municipality their right to have their elected officials make known their views to council. I'm not sure that's the direction we should be taking.

I think we need a definition—and I put that out as a suggestion to you—of matters that are of importance to the entire ward or the entire municipality and in which the individual elected official's personal interest is

minimal; I think the elected officials should be allowed to vote on those.

As to the converse, we need to define those matters that are not of major interest within the municipality and in which the elected officials' personal interest is substantial. I think it is correct that municipal elected officials be denied the right to participate in those votes.

This leads me to the matter of protection of the public interest. That is a very broad phrase and something that lawyers and those who feel they have some knowledge of the legal system like to get involved in. There are an increasing number of cases coming to my attention in which municipalities have denied rights to an individual in a matter in which that individual feels he has a substantial interest and a substantial right.

It may well be that municipal elected officials occasionally conduct vendettas against individuals in the municipality. It may just be that the elected councils are sometimes not able to come to grips with the fullness of an issue. In those circumstances the matters get hauled before the courts. It concerns me greatly that municipalities seem to be in court more and more often dealing with this kind of problem, a problem where they are involved in a dispute with one of their taxpayers.

Just as we have a system in this province for dealing with cases where individuals have an opportunity to seek redress if they feel they have been dealt with unfairly by the provincial government or one of its agencies, and that system is the office of the Ontario Ombudsman, I want to suggest to the minister that kind of system might well help to deal with a lot of problems that face individuals in their dealings with municipal governments, which problems presently involve litigation which costs the taxpayers a great deal of money.

I am aware that municipalities could have the opportunity to set up that kind of operation within their own offices. I want to suggest to the minister that a municipal ombudsman in every one of 840 municipalities really doesn't make a great deal of sense. I want to ask whether he would be prepared to give very serious study to a proposal to set up an ombudsman who would deal with municipal governments right across the province in a way somewhat similar to that in which our present provincial Ombudsman deals with problems involving the provincial government.

Municipal election campaigns are another area brought before the public every two years and one in which there are a lot of heated feelings. I don't understand why we can't have a municipal election expenses act similar to the acts we have at the provincial and federal levels. In large municipalities it may well be that the office of mayor, and perhaps the office of controller, carry a great deal more responsibility than that which is placed upon individuals in this House, though I think sometimes that would be difficult.

There is no doubt a municipal election campaign across a municipality as large as Toronto, Hamilton, Ottawa or Windsor is a very major undertaking, an undertaking far larger than that which any of us has to face. Yet there are no restrictions, no controls, no guidelines of any kind on municipal election campaigns.

I know that municipalities have been given the power to set up those guidelines themselves; but it really bothers me, in a situation where party politics are either nonexistent or not existent in an overt way, that you ask those who are already elected to set up guidelines to cover those who are trying to run an election campaign to remove them from office. That just doesn't seem to me to be a realistic way to go.

It seems to me that a municipal election expenses act is something that could be dealt with by this House, should be dealt with by this House and would be welcomed by electors right across the province.

[11:30]

There were some exchanges of opinions earlier today about environmental assessment as it applies to municipal projects. I know that the minister's colleagues the Minister of the Environment (Mr. Parrott) and the Premier (Mr. Davis) have promised on several occasions during the last year or more that the regulations to implement the Environmental Assessment Act for major municipal projects will be promulgated in the very near future. I am sure the Minister of Intergovernmental Affairs has been involved in discussions around that issue.

I recognize that one of the difficulties is the potential for duplication with Ontario Municipal Board hearings. I want to say first of all that not all major municipal projects involve the Ontario Municipal Board in a hearing. In some cases, for whatever reason, be it that it is being funded out of current revenue or that no zoning changes are needed, there is no requirement for the municipality to go to the OMB. In others, the approach that is taken before the OMB is such that the public does not wish to object on financial or planning grounds but does wish to object on environmental grounds.

It seems to me that in such cases the Environmental Assessment Act could proceed immediately, and there should be no hangup at all in putting in place a circumstance whereby, even if an OMB hearing is needed, at least for the time being the OMB and the Environmental Assessment Board panel can sit concurrently and conduct their business through one series of hearings that deals with the issues that need to come before both.

I am sure that in the longer term it is going to be necessary to set up a somewhat simplified procedure, but I do not believe we should be waiting now for environmental assessment of municipal projects because of some fairly straightforward difficulties—straightforward because they can be solved in at least a temporary way—involving duplication of hearings.

I want to make it clear, though, that I do not believe things that are at present the responsibility of the OMB should be transferred to the Environmental Assessment Board or that the OMB should be asked to consider environmental matters when holding an environmental hearing. The two are so totally distinct, I believe, that if we move to a common hearing, in the short term it would have to be by having two panels present, and in the long term it would have to be by setting up a new organization.

The minister's colleagues the Minister of the Environment and the Premier indicated earlier this year, and indeed last year, that the regulations for environmental assessment of municipal projects would be put in place this year. It now looks as though that is not going to happen, and it is my understanding that is being said because of the white paper on the Planning Act and because that white paper makes reference to it. The white paper seems to be getting pushed further and further into the future, and I am not sure at all we will be seeing the legislation that corresponds to that introduced to this House even next year.

I do not believe we can carry on delaying environmental assessment of municipal projects. I believe it has to move forward very quickly. I would urge the minister to use his influence with his colleagues to ensure that procedures are put in place that enable that to be done so that all projects can be covered by an environmental assessment hearing where there is a need and where there is public demand.

With regard to this morning's exchange, something that concerns me a little is that the impression is left in people's minds that, once the Environmental Assessment Act is put in place for municipalities, projects that have been implemented prior to that date will be exempt from its provisions. One of the difficulties with the Red Hill Creek Expressway is that it is a long-term project; it is not going to start next year or the year after, even if it starts at all.

I hope, and I am sure the minister and his colleagues hope, that the Environmental Assessment Act will be put in place for municipal projects before such time as the Red Hill Creek Expressway is built, if indeed it is.

If that means there will be an inordinate delay because we cannot proceed with environmental assessment now but have to proceed with it at some later date, then I want to suggest that will sit fairly and squarely on your shoulders and on your colleagues' shoulders, because we are suggesting, given that everybody supports environmental assessment hearings, it should proceed on that kind of major project right now. I don't think we're suggesting it should be just on the Redhill Creek Expressway, but it should be on every major municipal project of that kind, effective immediately. The Redhill Creek Expressway is just one example. I'm sure you're aware, Mr. Minister, possibly even more than I am, that the Environmental Assessment Act and its procedures have an impact on property values.

If the municipalities are not able to proceed with land purchases under that act; if we delay in environmental hearings; if the procedures are played around with now so we cannot move to a hearing swiftly; then when that expressway or any other expressway in the municipality is given the go ahead, the taxpayers could end up paying substantially more in land acquisition costs simply because of the delay. I really urge you, Mr. Minister, to consult with your colleagues and to encourage them to do everything possible to call an environmental assessment panel together to start hearings on that project at a very early date.

Last time, Mr. Chairman, I made some reference to property tax and said I didn't want to get into it in too much detail. Since that time we've seen the new assessment equalization factors being gazetted.

It concerns me greatly that the full impact of those new equalization factors were apparently not understood by the government prior to being published. Indeed, many municipalities have only just this week started grasping the full impact of those factors; because they impact not only on distribution of grants, not only on sharing between municipalities across the province, but also on

sharing between municipalities and school boards and between municipalities within a regional area.

I don't think there was any dispute that new factors were needed but there is no right way or wrong way to do equalization. There are many ways it can be done. We talked about that under section 86.

I wonder whether the minister can explain why the government chose to adopt new equalization factors based on 100 per cent of market value for all classes of property, rather than using factors based on 50 per cent of market value for residential and farm property as was proposed under all the property tax reform proposals that were being considered last year?

I wonder whether this is an indication the government intends to move to property taxation at market value based on 100 per cent for all classes of property, or whether it was because the matter was not given full consideration. What it's doing is transferring, in some way, the burden of property taxes to municipalities that are primarily residential or rural. Those who have a heavy industrial assessment are benefitting under the new equalization factors, and I don't deny them that right, but it is costing residential taxpayers in municipalities that do not have an industrial base very dearly. That has short-term implications. It's making it very difficult for municipalities to plan their budgets for next year, and those budgets should be in the works already.

It's having a longer-term impact as well, which bothers me very greatly. If we stick with this kind of system, it is going to mean that municipalities are going to compete even more heavily for industrial development than they do at the present time, because the benefit to the municipality from industrial and commercial assessment, that benefit which may or may not have existed in the past, will almost certainly exist and be very effective in the future.

Without any kind of provincial official plan and without any kind of guidelines as to where new growth should take place and where our development centres should be, the competition is going to be costing taxpayers money, both in terms of the efforts put in by the municipalities and, more important in my mind, because it is not going to ensure the best possible distribution of industrial and commercial development across this province.

I ask the minister why did he use 100 per cent for residential and farm in the new equalization factors, rather than 50 per cent for those and 100 per cent for the commercial and industrial? What is he going to do to help solve the problems that are created by the new factors?

To move on, earlier this summer I had some correspondence with some of the minister's colleagues about the responsibility of municipalities to deal with adult entertainment activities. As the minister is well aware, last year the municipalities were given the power to license certain kinds of adult entertainment activity. In every case where it is of any relevance at all, the municipalities have put bylaws in place to license out of existence those kinds of operations which they find objectionable and which I am sure we all find objectionable.

If there is uniform feeling across the province that these kinds of activities should not be going on, I don't understand why the government then makes it a municipal responsibility rather than making it a provincial responsibility. There is a further problem, and that is municipalities do not have the resources to keep up with the entrepreneurs who run these kinds of operations.

Last Saturday in the Star I found it rather amusing that there was an almost full-page article in colour talking about how Yonge Street was cleaned up. Today on the radio I heard of police raiding an establishment for activities that indicate to me very clearly that the situation has not been cleaned up, and that it has just been pushed to a slightly lower level underground.

I don't believe municipalities can handle these kinds of problems. Whenever a municipality puts bylaws in place to attempt to deal with adult entertainment activity, the entrepreneurs are going to find a way of beating them. Licensing should not be used as a mechanism for banning. That is not what licensing is intended to be, and yet that is what we have in this particular area. Municipalities do not have the resources to enforce properly the bylaws that they pass; enforcement of legislation against these kinds of activities is very complex.

Finally, the kind of activity I referred to in my communication with the minister's colleague earlier this summer, that of a dancing and conversation studio, doesn't fall within the purview of a municipality to licence anyway. Yet that kind of activity is very seriously exploiting people in our society who are lonely, or who for some other reason are seeking the kind of consolation they believe that kind of studio will provide. We know it is not providing that kind of atmosphere because it would be against the law if it were providing it.

Nevertheless, these operators are charging people money as if they were providing it and then exploiting them seriously, putting them in a circumstance where they are so embarrassed it is very difficult to get action taken against the operators. In fact, there may be nothing illegal going on except the helpless consumers who are lured into those places are being ripped off.

[11:45]

I really think control of those kinds of establishments should rest here, rather than in city halls and town halls across the province. The feelings against them are the same everywhere and there is no point in allowing a local option and requiring local taxpayers to carry an even bigger burden in terms of enforcement costs.

I just have three small items I want to refer to and ask about before winding up, Mr. Minister. I have some very serious concerns about the method of operation of the Ontario Home Renewal Program. I realize it is a Ministry of Housing program, but it is set up in such a way that municipal government is responsible for its day to day administration. Therefore, it seems to me it does come within your purview as Minister of Intergovernmental Affairs. I am sure some municipal people have been commenting to you about it. I certainly hope they have, because they have been commenting to me about it; and I have been getting comments from the public as well.

The difficulty is the enforcement of the rules of that program and the regulations for the awarding of grants under that program—and as an aside it's an excellent program—are not uniform between one municipality and its neighbour. If you live in city A it may well be you can get an Ontario Home Renewal Program loan very easily—

Hon. Mr. Wells: On a point of order: I really believe this discussion is out of order. If the honourable member wants to continue on and take the time that's fine with me, but I don't intend to talk about the Ontario Home Renewal Program which is directly under the responsibility of my colleague, the Minister of Housing (Mr. Bennett). He will talk about that in his estimates. I don't mind talking in generalities, but I am not going to deal with the details because it has nothing to do with my ministry.

Mr. Isaacs: I will accept that, but I will talk, then, about uniformity of services to people within a municipality and ask the minister whether he believes if the provincial government provides money for a particular service on a uniform basis across the province and provides that money to the public through municipalities, should the public in every municipality expect a uniform level of service?

It bothers me greatly that where there are provincial funds involved and a provincial program, the action of a municipal council can prevent the public gaining the access to that program they should have. It doesn't only apply to home renewal, it could apply to drainage, it could apply to lake shore protection, it could apply to anything else. If the program is a provincial program why give it to the municipalities to administer and thereby deny some citizens of this province the opportunity to take advantage of that program in the way it was perhaps originally intended?

That lack of uniformity, that lack of co-operation and consultation between municipal governments, is a problem in a lot of other areas as well. I am thinking, for example, about the tremendous amounts of money that have been wasted by municipalities attempting to set up no-smoking bylaws. I think the concern about no-smoking bylaws certainly falls within the municipal affairs arena.

I want to suggest to the minister that his staff could help greatly in cutting down the burden of taxes municipal taxpayers face if he would encourage municipalities to work together to solve problems instead of each doing their own thing when that particular activity is not one that is to be different in municipality A than municipality B.

The amount of money spent in court hearings on no-smoking bylaws in Toronto was a burden to taxpayers of this city. The money spent in gaining legal advice in half a dozen other municipalities I am aware of which have attempted to put in no-smoking bylaws was a burden on the taxpayer of those municipalities. Why couldn't this ministry have assisted in that area, when the minister knew that the interest was there and given the municipalities the legal expertise that is within the ministry so that they would not have to run off to their own solicitors and pay for advice which ministry staff must have had, which Toronto city hall staff must have had? This kind of duplication of expense is just not needed and should be cut out.

Mr. Chairman, I was going to get into some other areas of traffic signalling and the like, that too is a question of lack of uniformity between municipalities in matters that affect residents right across the province, but I think, given the minister has indicated he

wants to speak in generalities rather than on specific issues, I will wind up my remarks there; but I want to urge him, very seriously, to explain to the public of this province what is going on with regard to regional government and municipal restructuring because it's something that is of very great concern to taxpayers as they see their tax bills increasing dramatically for services they are just not getting.

Hon. Mr. Wells: Mr. Chairman, I will attempt to deal with some of the matters my friend has put forward. I hope he understands my last point. We could, of course, in these estimates, because of our general co-ordinating role and our role of dealing with the municipalities through the responsibility of the Municipal Act and others, talk about anything concerning municipalities, but we both recognize that the responsibilities for the provision of various services on the municipal side rests with a variety of ministries, all of which administer programs and deal directly with municipalities. I really think that discussion of the details of programs, in say transportation or in the housing area, should be left to be dealt with by those particular ministers.

If we want to talk in generalities about the general co-ordinating mechanisms and approaches that we use, the general total sums of money available, I certainly think that's fair game for these estimates, but I wouldn't attempt to deal with any of the details that might be found in a program like the Ontario Home Renewal Program because I think that's the responsibility of the Minister of Housing.

I do want to say, though, that there's a general thread running through the member's remarks that sort of suggests that municipalities shouldn't have some autonomy that they have. I guess he and I differ philosophically here. Perhaps some day we will even get to redoing the Municipal Act completely, where we set out in very broad terms powers for municipalities and then they do their own thing. I don't think we should sit here and tell every municipality in this province exactly what kind of a bylaw they should have to govern adult entertainment parlours, that's their responsibility. The elected people in the municipality who are, as they tell us many times, supposed to be closer to the people than we are, are the ones who have concerns for things like the moral tone of their community in a direct sense as they pertain to adult entertainment parlours, topless waitresses in various establishments, or whether there should be no-smoking bylaws in public areas of their municipality; and the list could go on and on and on.

I think for us to suggest in a province of eight million people with 837 municipalities that the 125 people sitting in this Legislature should be able to govern the minute actions that go on in every municipality across this province would be wrong and would be striking at the kind of autonomy in which all of us believe. We all know we haven't reached perfection as far as autonomy is concerned for municipalities but I think we certainly should be working towards that. That's why in many of the things that we do we put in place legislation which empowers people to do certain things. Then the right or the responsibility as to whether they wish to implement a program or not or put in certain bylaws or control certain things is something they themselves make up their minds to do, and they do.

That takes me to another point my friend mentioned, whether, if there is a provincial program, it should be applied equally across the province and so forth. I would say that it should be available equally to everyone in the province. Whether it is taken up by every area of the province is the responsibility, I believe, of that particular municipality. It is not our responsibility here to say, because we have a home renewals program or we have a whole variety of programs that provide financial assistance if certain things are done, to say that every municipality must take them.

There will be times when that, of course, is the case; but basically, most of the programs are programs that provide some form of assistance, and sometimes guidance, for a municipality. Whether or not they choose to implement that program rests with them. I don't see that as any violation of the principle. It is universally equal. To a large degree the terms and conditions of the program are the same if they want to take it up. They may vary depending on population or certain criteria, but basically the program is available. It is up to the municipality whether or not they want to institute that program. So that, certainly, would be my philosophy in that particular area.

That leads us, I suppose, directly to the area of a municipal election expenses act. You have suggested that perhaps we should have a uniform municipal election expenses act in this province. I haven't seen any degree of uniformity among the municipalities that they would like a provincially-administered act. We, of course, have made changes in the Municipal Act to allow municipalities to enact their own bylaw to bring in some of the things that are in our act.

Certainly not all of the things, and certainly not the kind of provisions that, for instance, would allow income tax deductibility of contributions, which is probably one of the major reforms—if I can term it that way—that most candidates certainly would like to see at the municipal level.

That kind of provision, of course, would have some fairly wide financial ramifications for the Treasurer (Mr. F. S. Miller) of this province. Certainly that is something I think he should look at. I am not saying I am opposed to a municipal—

Mr. Bradley: Just as mortgage interest deductibility will have ramifications for the Treasurer of this province.

Hon. Mr. Wells: Mortgage interest deductibility: if I recall, the Finance Minister of Canada says that it wouldn't have any adverse ramifications for the province. We take him at his word, but we will probably get into that in discussions of some other matters a little later on too.

Anyway, as I say, I haven't any deep set negative feelings about a municipal election expenses act. I think it is probably something we should continue to look at and to work towards. But first, I haven't seen the really grassroots feeling from all the municipalities that we need this.

I have some worry that again we are trying, at the provincial level, to build in some uniformity for every candidate in every election, all over the province, at the municipal level. Whether that is good or not, I don't know. I think that will have to be looked at. What I think we should do is take the interim steps to provide municipalities with the legal right to do those things if they want, if they really feel strongly in areas where they can legislate by bylaw. Of course the deduction area is one they can't, but there are areas of municipal campaign disclosure, and so forth, that can take them part way towards the kind of act we have.

I think for the minute that is the direction we would be going in. I don't see the development of a municipal election expenses act in the very near future.

Then we get to the area of conflict-of-interest legislation, where I guess we have operated in the other way. We have brought in a provincial act to govern the matter of conflict of interest at the municipal level. There, of course, there is perhaps no consistency in my arguments, because on the one hand we have brought in a piece of legislation that applies equally to all municipalities in the area of conflict of interest, but I guess the interesting thing is that, having brought that in in a fairly detailed manner, that act is now under attack.

The suggestions are that, at least from the point of view of some people, it should not be as all-encompassing as it is. Yet I submit that when you try to bring in a provincial act to cover 837 municipalities and all the contingencies that would arise, involving school boards and so forth, when you start to draft an act like that, you get an act that becomes very all-encompassing and has all the ifs, ands and buts in trying to cover all the contingencies; then, when it is put into operation, it is sometimes criticized for not allowing any flexibility for municipalities and perhaps being too much of a straitjacket.

[12:00]

I recognize the problems that my friend has stated in some of the areas. I recognize some of the municipal problems concerning street widenings and some of the conflict-of-interest cases that have come up there; they are the cases that have caused us to study the act and to bring forward some new suggestions. We set up a committee, the Association of Municipalities of Ontario had a committee, and those will all be looked at.

I must say that I think some of the other celebrated cases in the conflict-of-interest situation show that the act was good. Some of those school board cases certainly were the kinds of things that I think it was certainly believed the act would cover; in certain matters of direct financial interest of a family of a person, that was considered to be an area where a person should declare a conflict of interest. If we are talking about loosening up the whole act so that we can accommodate a lot of these things, I think we would have to look very carefully at that.

In this particular area, I again draw attention to the fact that this is one piece of legislation for which the Attorney General (Mr. McMurtry) has responsiblity. While we have input into it and certainly we have very strong input and will be very interested in what happens, he has the carriage of that bill and the responsibility for its implementation. Therefore, I think it would be fitting for us to discuss the details under his estimates.

In the area of the regional studies, let me tell the honourable members about the studies we have under way or that have just reached conclusion. The Kenora study is moving near completion, and the final report by the consultant is expected very shortly. The Blind River and Sault Ste. Marie study has been published and completed by ministry staff. In both cases there has appeared to be no visible support for any change in the area. We have held meetings in Sault north

and are proposing meetings in the Blind River area, but I must say the reports I have had back on that from those particular—

Mr. Epp: You are not going to bring in regional government there?

Hon. Mr. Wells: No, we are not going to bring in regional government.

Mr. Bradley: They'd love to hear that in Niagara.

Hon. Mr. Wells: They have one of the finest regional governments.

The Hearst-to-Smooth Rock study has been released, several meetings have been held, and the responses are now being received and compiled. The Kirkland Lake study, a locally done and provincially sponsored study, was completed a year ago. The report is being discussed locally. There does not seem to be very much sign of pressure for any change in the area.

These studies that have been done are being released and basically put out for study in the area by the people, the municipalities and so forth; based on the reactions, the decisions as to what should happen afterward are then taken.

The Geraldton report was issued in the last few weeks; it was behind schedule by about a year because of some staff changes. The local response and reaction is now being solicited, and we are waiting for that.

Those are the studies that are under way at present or have been done. There are no studies in which we are involved under way in the south at the present time.

That brings us to the regional reviews.

With regard to the Niagara regional review, when I was down in Niagara last March we talked with the regional council about that. Barring a few housekeeping matters, I think we all agreed that no further changes would be made at this point in time in the Niagara area. That was the assumption based on the study in Niagara. However, I indicated to the regional council that if they had some other particular ideas they'd like to discuss with us, we'd be quite pleased to discuss them.

In a minute I'll discuss the Hamilton situation vis-à-vis what I consider major changes and minor changes. In the case of Ottawa-Carleton, we're still in the process of reviewing the Ottawa-Carleton study and the white paper. I would say that what I have asked particularly of the Ottawa-Carleton region is whether there should be changes in representation in the area. I'm presently waiting for some response from the regional government and all the municipalities as to their thoughts on representation. Some of them have already put forward proposals for changes and others are still considering it. I think the matter of the board of control in Ottawa has gone to the Ontario Municipal Board for full and frank discussion and debate.

In Metropolitan Toronto, we're still in the process of assessing the Robarts report and, basically, the white paper that was issued by the Ministry of Treasury, Economics and Intergovernmental Affairs.

Mr. Warner: How many more years?

Hon. Mr. Wells: I must say there's no groundswell of public opinion or appeal for us to be moving in particular areas, except in those areas that every municipality is concerned about—taxes, assessment and so forth.

Mr. Warner: It has been so long they've all forgotten.

Hon. Mr. Wells: Actually, they're all doing very well and that's why there's really no groundswell of feeling that there has to be some great change.

Mr. Epp: That's why you spent over a million dollars studying it, because there was no groundswell for change. Wasting the public money like that is no concern of yours. You just put it on the shelf afterwards.

Hon. Mr. Wells: A point that is often brought up is that these studies are a waste of money. I don't buy that particular point of view because I think it is a mistaken idea that you have to have a study and then you have to act on the recommendations and that if you don't act on the recommendations the study has been completely worthless and the money has been wasted.

Mr. Epp: Oh no, it's not been worthless. It has been very beneficial to the people who got the money.

Hon. Mr. Wells: You have to remember that what you're saying is act on the recommendations that you, the member for Waterloo, like and the study will have been worthwhile and you will have got your money's worth; but if you, the member for Waterloo North, don't like the recommendations, don't act on them, but even if you do, still the study's worthless.

Mr. R. F. Johnston: Tell us what you do like about them.

Hon. Mr. Wells: What we're really doing in these studies is asking a person to be the catalyst to bring forward a lot of comment to force people to look inwardly at themselves and look at their operation and perhaps suggest changes for the improvement of that particular structure.

The one thing I always worry about concerning studies is I have the inherent feeling that when a person is asked to do a study he feels he has got to recommend something different. Although they may not have felt at the first that what they later recommended was really needed, in the process of the study they may become convinced that the change is what's needed. As I've said many times, too often it's change for change's sake.

In other words, you justify the million dollars on the Robarts study by changing all the boundaries in Metropolitan Toronto, which would have been nonsense. I don't think there's anybody in this House who would have recommended or would have supported the changes of the boundaries that were suggested.

Mr. Warner: This is quite an attack on the former Premier. He'll be disappointed.

Hon. Mr. Wells: No, it's not an attack on the former Premier because I think that out of that study John Robarts was able to bring forward thoughts from a lot of people which solidified their thinking about Metro. It caused to happen a lot of small things in Metro that I think have made things better, and it was a good exercise.

Mr. Warner: The report is solidified by now.

Hon. Mr. Wells: My friend from Scarborough-Ellesmere—I am not sure whether he is making a big defence of the Robarts report, but he and I, of course, differ very strongly. He would like to do away with the metropolitan school board.

Mr. Warner: Right on. Tomorrow.

Hon. Mr. Wells: A very misguided recommendation, I believe.

Mr. Warner: I am not alone.

Hon. Mr. Wells: Misguided and also—

Mr. Warner: The Toronto board wants to get rid of it.

Hon. Mr. Wells: The Toronto board may want to get rid of it, but at least some of the other boards don't. Some of the people who have really studied things in Metropolitan Toronto feel that would be a regressive step. That just illustrates one point—

Mr. Warner: Like Mr. Robarts, who recommended it.

Hon. Mr. Wells: One point that I am trying to make is that the fact someone suggests change doesn't necessarily mean it is a change for the better. It is that person's opinion of a change for the better. Therefore, we have to assess these studies very carefully—

Mr. Warner: Mr. Robarts may never speak to you again.

Mr. Epp: Can we quote you on that the next time you recommend some change and we disagree with you? Can we quote you on that at that time?

Hon. Mr. Wells: Can you quote me on what?

Mr. Epp: That it is not necessarily a change for the better; it is just your personal opinion that it is better.

Hon. Mr. Wells: It's their opinion of a change that would be for the better. Therefore, it is no sin that people study the suggestions and recommendations, and may disagree with them and put them to one side.

That doesn't mean that the money was wasted, and it doesn't cast any aspersions on the person who wrote the report. All it means is that's a good thing to look at but that in the light of day and full consideration you may have to reject some of those recommendations. There is nothing wrong with that.

Mr. R. F. Johnston: We don't mind your not agreeing with some of them. Aren't there some you agree with that should be implemented, though? Are you saying that because you aren't implementing anything at the moment and aren't contemplating doing so you disagree with all the recommendations?

Hon. Mr. Wells: We obviously have been implementing things, because there have been changes to all the regional acts. We are particularly concerned about various changes that the regions want.

The philosophy I have tried to adopt on this is that the best philosophy—and this is a different philosophy perhaps than that applied before, because as I have said in many speeches I don't really believe we will be appointing any high-profile-type reviews of regional government, such as we have in the past. I don't think that is what is needed. I think what is needed is a very careful assessment of regional government by the governments themselves—the people in the region should take a look at their operation. They should take a look at it, assess what is happening, and then present to us what they think are the ways it could be made better. When they do that we will then work with them to put those into effect.

That gets to the point that my friend from Hamilton raised about store hours. The regional municipality of Hamilton-Wentworth wrote to ask if we would give the region the power to set store hours. That is not a major

change, in terms of philosophy, which the other example he used would be.

He said, "If the region wrote you and said, 'Make us a one-tier government,' would you do that?" He knows, of course, that the answer to that is "no"; we wouldn't do that. When the government brought in its original bill it believed that a two-tier Hamilton-Wentworth regional government was the kind of thing that would work best over there. It probably still is. Whether it is in its exact, proper form is something for the region itself to take a look at. That would be a very major change.

The shifting of responsibilities for various services within the region, the minor adjustment of boundaries that are agreed upon, a whole host of smaller things like that which can make the region work better, are the kinds of things I would like to see the region come to us and say they have studied; that this is what they want to do, and will we change the act? That is the way we are operating at the minute; we don't have a general act that allows them to do that.

Perhaps one should even look to the day when the regions themselves could change responsibilities.

Mr. Haggerty: When you can rescind the act—in Niagara region for example; it would make everybody happy there.

[12:15]

Hon. Mr. Wells: Maybe you should look to the day when the regions can change responsibilities without even having to change the regional act that created them. We haven't arrived at that day when we have general legislation which gives certain broad powers to municipalities and regions and then they operate within them.

Therefore, I see us being very consistent in accepting from the regional municipality of Hamilton-Wentworth a resolution to give the region the power to set store hours. It was passed almost unanimously at the region and was presented to us. I fail to see why we should not implement it.

I realize some municipalities—ones at least that voted against it—are going to come in the other side and say: "Don't pass it because we're not in favour of it." The fact is that battle should be fought out there at the regional council and it should come down to us with its resolution. What they're really saying is if they fight it out there and lose there, then they can start to fight down at Queen's Park. The region asks for this and comes in and fights for it here. At this point in time, I'm just accepting the recommendation of the regional council which has said that it would like to have this particular change.

As far as anything else is concerned in Hamilton-Wentworth, at this point in time we're still looking at that particular study. I'm sure the member is as aware as I am that the mayor of Hamilton would like to have certain changes and is probably going to be fighting very strongly for those changes within the region. There are other municipalities that feel the kind of changes he wants are not valid.

Let me get to one other review which I think is perhaps setting the model for what we're doing. I wish I had a copy of it here as I might quote a few things from it. I think the Waterloo regional study is probably one of the better studies that has been done. It was done by Bill Palmer, who was formerly chairman of the Ontario Municipal Board and Deputy Minister of Municipal Affairs.

I think the interesting thing about the Waterloo study was that it developed criteria for measuring cost-effectiveness, the cost of the operation of regional government and the cost of a constituent or lower-level municipality being in the region or not.

For instance, I see here, based on those studies and putting them into effect and using the data that was available in the region of Waterloo, Palmer came to the conclusion that, "Contrary to the opinions held by many residents of the region of Waterloo, the cost of local government has not increased substantially faster than it would have under the former system. Secondly, it is no more expensive in comparison with similar areas outside or inside regional governments. Thirdly, after four years of regional government, the average per household property tax was lower in real dollars than it was four years prior to regional government."

That's his conclusion. I'm not sure whether the people in the particular area agree or disagree with that but they at least have—and this is the important thing—the background reports and the methodology that allowed the Palmer commission to come to this conclusion. As I recall, the kind of conclusion they came to was that contrary to what the people of Cambridge, who voted to secede from the region, may have been told or believe, they really were benefiting from being in the region and the whole region was benefiting from having Cambridge there.

I think that methodology is very important and that that's the kind of thing other regions can take because Palmer and his commission did the work, so they've got the methodology that can be taken and used in other regions

to do the same kind of cost-effectiveness studies and see what the answers would be in the regions. That's a good thing for other regions to do. The basic work having been done by the Waterloo study, I suggested that this was something other regions could look at.

What's happened in the Waterloo study, as you probably know, is that rather than having it brought in and presented to the government and then having everybody sitting back and saying, "It's yours. What are you going to do about it?" I said to them I didn't even want to be involved in the study to a great degree, the way we were with the other studies, until they, who are basically the area concerned in the study, have taken what this outside commissioner and his staff have come up with.

I said, "We'll stay out until you've analysed it yourself and you've looked at all the recommendations and assumptions that he's made and you've decided whether or not they're the kind of things that can make your region a better place."

So they are now doing that under the direction of the regional chairman and the mayors of the constituent municipalities. They are going through that process and, eventually, we'll have the Palmer report and we'll have the internal study. We'll have the listing, I hope, of the things they're going to do themselves which do not need any involvement or change from us, and then the kind of things they think will be of benefit in changes that we made here in Queen's Park.

As far as I'm concerned, this review is going well. It's the kind of pattern I think we should probably have followed with some of the others. However, it's too late now and, as I've indicated to you, the other ones are being looked at.

Let me move on to the Environmental Assessment Act and when it will apply to municipalities. We have not believed that we should subject municipalities to duplicate hearings—to hearings that were required under one piece of legislation where they used one procedure to apply for a particular project—and then have a duplicate hearing under the Environmental Assessment Act. So a task force was set up within our ministries to try to come up with a procedure that would at least make one hearing serve all the various purposes. That task force, chaired by Ron Farrow in our local government division, has reported that the Ministry of the Environment is working on the amendments. I would have to say, to be realistic, the amendments are coming in in the spring. That's really the purview of the Minister of the Environment (Mr. Parrott), but by spring we should have a procedure laid out that would apply to most municipal projects. Our idea is not to do away with environmental assessment but to do away with duplication of hearings, cut down length of time and save costs for municipalities.

Mr. Isaacs: Will it be retroactive?

Hon. Mr. Wells: I would doubt that it would be retroactive. The opposition in this House never likes retroactive legislation. No one likes retroactive legislation.

Mr. Warner: Except for our salaries.

Mr. Isaacs: So it will only cover projects that have not been approved as of the date it's reported?

Hon. Mr. Wells: I think you had better ask the Minister of the Environment about that detail to see what he's got in mind.

Let me move on to the area of property taxes. First of all, you asked why we chose to introduce the new factors based on 100 per cent of assessed value for all classes of property. It's my understanding—and I just had a quick word with my colleague, the Minister of Revenue (Mr. Maeck)—that we had no option but to do that if the factors under the legislation were to be based on market value assessment.

You may recall in the various proposals that floated around when we were talking about the property tax reform proposals, there were suggestions for 50 per cent residential, 75 per cent for apartments, 100 per cent for commercial, and so forth. Actually, when those general, broad ideas were applied to individual municipalities they presented problems for the municipalities. There is no particular, equally perfect solution. So it was not possible, I'm told, to bring in the new factors in any other form than 100 per cent of assessed value for all classes of property. My friend is right, there is no question that because this happened, and because residential property has increased in assessed value at a much greater degree over the last decade than commercial property, the relationship that was there in the old factors when they were computed back in 1970 and the relationship to the new factors between residential and commercial present some problems.

Those factors, however, have been introduced and Gazetted and replace the 1970 frozen factors which had been used for grant and apportionment purposes by Education and by Intergovernmental Affairs over this period of time. In other words, those factors are necessary for apportionments and for grants, if the general legislative grant and the resource equalization grant are to be com-

puted, as they have been computed in the past.

Although these factors reflect the changes which have taken place in property value over the last past decade—

Mr. Haggerty: Drastic changes.

Hon. Mr. Wells: —they do reflect that there has been a change and that change has been that residential has increased more than commercial assessment.

I want to emphasize that the introduction of those factors does not represent a change in our taxation policies. However, if these new factors were used without limit there would, of course, be large, and in some cases unacceptable, shifts in the burden of property tax among municipalities and among ratepayers.

I am sure members of this House are aware that without some offsetting government action the use of the new factors would create substantial increases in taxation in a large number of municipalities.

What we, the government, propose to do to eliminate this impact is this: We propose to alleviate the impact by providing special funding to municipalities in 1980. In addition, we are instituting a limit on the assessment shifts which can take place in 1980 as a result of the new factors.

Basically, for municipal apportionment purposes, assessment shifts caused by the new factors of up to five per cent will be allowed to take place. Beyond that level shifts due to the new factors will be prevented. For general municipal purposes shifts and levies caused by the new factors will be limited to five per cent as well.

The new equalized assessment will also be used for grant purposes, of course. However, for those municipalities where an equalized assessment has been increased relative to the provincial average by the new factors, and thus whose level of grant support would normally decrease, the government reiterates its commitment—and this is a reiteration of the commitment my colleague the Minister of Revenue made last fall when he introduced the legislation to unfreeze the factors—the government reiterates its commitment to provide at least as much in grant payments in 1980 as they would have received under the use of the old factors.

Mr. Haggerty: It doesn't help much.

Hon. Mr. Wells: It certainly does help very much, if my friend had studied what is really happening.

Mr. Epp: At least as much in percentages, not in fixed dollars.

Mr. Haggerty: There is no guarantee there at all.

Hon. Mr. Wells: The guarantee is that they are going to get as much grant in 1980 as if the old factors were still there. The guarantee is in there, in dollars.

For other municipalities, the new equalized assessment will be used for the resource equalization grant, except in those cases where there is a relative reduction in equalized assessment of more than 10 per cent. In these cases the relative reduction will be limited to 10 per cent and the resource equalization grant will be paid on that basis.

[12:30]

In addition we intend to put an overall limit of $10 per capita on the amount of increase over their 1979 resource equalization grant which any municipality could receive.

We have also decided to introduce greater uniformity in respect of the split mill rate. The split mill rate, as the members know, is the measure by which residential and farm tax taxpayers pay a lower tax than that as paid on other properties. At present this split is at 15 per cent for municipal purposes. However, the split will be recognized as the resource equalization grant.

Therefore, starting in 1980, the split mill rate will be standardized at 15 per cent for the grant as well as most other municipal purposes. This measure by itself will further cushion residential taxpayers and modify the adverse shifts to residential and farming communities which is inherent in the new factors.

If I can just summarize, what I have said in these few remarks is this: Every municipality will receive at least as much in resource equalization grants in 1980, as it would have received under the old factors. That is the first summary item.

Secondly, no municipality will have its portion of the cost of the county, region or other joint body increased or decreased by more than five per cent because of the use of the new factors in 1980. This is ensured through two means: Firstly, the five per cent limit on relative assessment changes will reduce the changes in cost sharing and, secondly, the province will pay the increase in any county or regional levy in excess of five per cent which occurs as a direct result of the new factors.

The third thing to summarize is that to reduce further the burden of taxation on communities with little industrial or commercial assessment, residential assessment will be discounted by 15 per cent for purposes of the resource equalization grants.

These changes, of course, will have to be brought about and we will be discussing them in greater detail during this session of the House. You will also be hearing from the Minister of Education (Miss Stephenson) because she is faced with the same issues as far as the general legislative grant is concerned. In my talk with her I find she is taking the same kind of approach and she will be advising school boards of this.

What we intend to do within the next couple of weeks is to have our local government division people talk to every municipal treasurer in the province and make sure that they understand how these policies will apply. I think that to a great degree they will alleviate many of the concerns that have been expressed by many of the municipal councillors and treasurers across the province as they have looked at these factors alone and wondered how they would be used.

I think that we said all along, and I want to emphasize this, we have said all along, the unfreezing of the factors and publishing of the factors is a very mechanical process. My friend, the Minister of Revenue, under the legislation under which he operates for this particular purpose, the Assessment Act, is charged with producing and Gazetting these factors. They were frozen since 1970; this House chose to pass legislation on his recommendation to unfreeze them and new factors were introduced. That was a just and proper thing to do and how he computed those factors he will be glad to explain in great detail to all the members as he has been doing, and for the municipalities in this province.

The question that now remains and the question which legitimately must be answered for the municipal politicians and the treasurers and clerk treasurers of the various municipalities is, how will these factors be now used for grant and apportionment purposes? I think I have indicated to you today how they will be used for resource equalization grant purposes and for apportionment purposes.

I think that what I have said today will have allayed a lot of the fears that some of them had as they looked at the cold stark factors knowing the changes that had occurred and relationships within those factors and what they would cost. We have indicated very clearly how these factors will now be used, how they can apply and I think that the municipalities will be able to better figure out what the situation is for next year.

It's too early for us to be able to tell them the amount and levels of the total grants, resource equalization grants and unconditional grants at this point in time, but I would suspect that within a month to six weeks we will be able to make the traditional announcement to them of the level and degree of support in that particular area.

The other place where the factors are also used, of course, is in the general legislative grant, as I said, and my friend the Minister of Education will be doing much the same thing and will be talking with the school boards and indicating to them how the program will apply there. I think that will alleviate a lot of the problems that some of the members have experienced from their local municipalities concerning this matter.

Mr. Chairman, I would not want my friend from the Liberal Party to feel neglected this morning; he has not had a chance to say anything, and I notice that the clock is moving on. If I have missed anything, perhaps as we continue, the honourable member can remind me about it and I can chat about some of the other items.

Mr. Epp: Mr. Chairman, my colleague from St. Catharines wants to speak but, since the minister raised this question, I want to get a clarification on the equalization factors.

Do I understand that he has pre-empted the Minister of Revenue, who is going to make a statement on this on Monday, and that that will not be necessary, because the minister has more or less given the details of this? Is it correct that the statement that was going to be forthcoming on Monday will not be necessary now?

Hon. Mr. Maeck: Mr. Chairman, if I might interject for a moment, I have never said that I would make a statement on Monday.

Mr. Epp: I thought it was understood that, by October 15, the minister would make a statement on it.

Hon. Mr. Maeck: No. What I said was that the government would try to get the matter resolved by October 15, but I did not say that I, personally, would be making a statement.

It is not pre-emption at all. My responsibility, as the Minister of Intergovernmental Affairs has said, is to develop a proper factor. It is up to the Ministry of Education, the Ministry of Intergovernmental Affairs, the Ministry of Treasury and Economics and others to decide how they will implement those factors; that, of course, is the procedure that is outlined and that is what is taking place.

Mr. Epp: Just one further clarification: With respect to the total grant, the Minister of Intergovernmental Affairs must have some idea, some ball-park figure; without specifi-

cally mentioning the amount, he must have some idea as to how much money the Treasury can afford to pay if he is going to alleviate the municipalities which would have a lion's share of the increase. Can the minister tell us how much the Treasury feels it can afford for him to pay out? Is it going to be $10 million, $50 million or $100 million?

Hon. Mr. Wells: All these matters have not been completely decided yet, but I would say it is certainly going to cost more than $10 million and it may come in somewhere around the $50-million mark. I cannot tell the honourable member exactly what the amount of money will be, but there will be extra money put in to carry out those areas that I indicated would be done. In other words, the guarantee of the level of grant—with no losers, no less money in 1980 than if the old factors had been used—and the guarantee of the five per cent on apportionment levy—will necessitate extra money being put in; that money will be put in, but the exact amount is still not definitely decided.

There are still some assumptions that are made when one does the computations, and those assumptions are not absolutely firm yet—some of the assessment figures and other things that are needed. No one is absolutely firm on the actual figures that will be used for next year's grant.

Mr. Bradley: Mr. Chairman, I know that my colleague the member for Waterloo North will want to explore at some length and in some detail matters which affect this particular vote, but I would like to deal specifically with some particular questions concerning regional government which came up partially during questioning by the member for Wentworth.

I have been able to determine—and would the minister confirm or deny this, please?—that there is some kind of study of regional government going on in Niagara at the present time.

From what I can detect, it is being done by the Ministry of Intergovernmental Affairs. People are being asked questions. At least, senior civil servants in the regional municipality of Niagara are being asked questions, which by and large, seem to lead towards selling regional government, or at least put regional government in its very best light and bring forward the benefits of regional government.

I would be concerned if this is true. First of all, I would like to know if there is a study going on and, second, if there is a study going on, what kind of questions are being asked and what is the purpose of the study?

Members on this side of the House were concerned that polls which have been taken by the government over the years might be used for political purposes. We are concerned, as well, that perhaps a study of this kind, which would deal only with the so-called benefits of regional government, might be used in the future for political purposes, and we would certainly want to know a little bit of detail about that.

Also, the minister visited the Niagara region rather recently, and indicated he met with the regional council and discussed some changes that might be made, or the general view of members of the regional council as it relates to regional government.

It is my view that one of the problems with consulting the people in the region is they have a vested interest in the continuation of the region as it is, or in the building up of the region. Even regional councillors who are elected with a slightly anti-regional bent are soon co-opted by their fellow members and by members of the senior staff, and come out changing their minds just a little bit, or at least muting some of their initial criticisms of the region.

Mr. Ashe: They learn the facts.

Mr. Bradley: I beg to differ with the member; they become co-opted, they become part of the club, or part of the gang down there. Many of them do. Some of them are managing to resist that.

If you want to discuss the ramifications of regional government, you have to go to the people in local government, once again those who are the closest to the people in the area municipality, to determine some of the problems caused by the implementation of regional government in certain areas.

My concern is you really talk to the converted when you talk to regional councillors and the senior staff of any regional municipality, and certainly, that wouldn't be any different in Niagara.

We also recognize—I think it is not hard to detect—the proponents of regional government are now on the offensive. Talk to any of the chairmen and they sing the same tune right now, "We are going to go on the offensive. We are going to sell people on the idea that regional government is great," and somehow they will tell you, "If there are problems, of course, the solution is to get rid of the area municipalities and then all the problems will be solved."

I won't call it a conspiracy, that is too strong a word, but that is an organized effort, it seems to me, on the part of those who

are strong proponents of regional government; those who have a vested interest in the maintenance and growth of regional government; to ensure it continues to exist and to place certain pressures on the provincial government in regard to perhaps expanding their powers.

We notice, however, when you get into talking about local municipalities—the Ottawa-Carleton case I guess is the latest—some of the local area municipalities are not happy. If they had their druthers, they druther be out of regional government. Indeed, I was surprised it was the regional council, however, in Ottawa-Carleton, that passed a resolution, I believe, which would have permitted area muncipalities to leave the region. Although I think the constitutionality or the legality of that particular act is certainly questionable, it does indicate there is dissatisfaction which, of course, we have seen over the years in the regional municipality of Niagara.

What is probably interesting now is some of those municipalities, whose mayors and certain other people within those municipalities were great proponents of regional government while they were getting the right end of the stick, are not so pleased about regional government when they are getting the wrong end of the stick, particularly when it is in terms of financial matters.

I did a survey—and I recognize surveys are merely interesting sometimes, and they don't always prove conclusive results, it depends on the wording of the question and so on—but in a straight wording of a question I asked my constituents how many were in favour of regional government in Niagara, and approximately 75 to 80 per cent of them said they were not in favour.

[12:45]

Once again, I recognize and I will be the first to admit that surveys don't always tell the whole truth. But it gives a general indication of the feeling of the people in my specific area about regional government. Even though it may not be directly within his responsibility, the minister might be aware of the expressions of concern about policing in the regional municipality of Niagara, and the efficiency of policing, and the movement on the part of some municipalities to have a return to localized police forces with the Ontario Provincial Police policing those areas which are rural and which they used to do a good job of in the past.

What I want to point out to the minister is that some of these things are recurring, that they haven't disappeared. One other item: I asked him a question in the House some time ago and of course he said this is local autonomy. I could have predicted that answer and perhaps it was fair under the circumstances. I'm talking about the issue of the regional headquarters in Niagara at the present time.

First of all, I am of the view that we need a new regional headquarters in Niagara about as much as we need the plague in Niagara—

Mr. Haggerty: They can't afford six million dollars.

Mr. Bradley:—and yet again we have a lot of talk from those who have vested interests, certain regional councillors, members of senior staff and so on, those who are interested in establishing a symbol of permanence and a very nice place to work. They are coming forward with proposals for a new regional headquarters as though this is a very great priority at a time when we are supposed to be talking about restraint.

I would anticipate the minister will once again say that is a local matter and would not want to comment on it. However, I might be able to elicit from him certain comments on what he feels is the level of financial responsibility of those regional municipalities which are now talking about building new regional headquarters at a time when his government is talking about restraint.

A specific question which I would ask him to address would be towards the Mack School of Nursing, which has been proposed, as he is likely aware, as a future site if the region has to have a headquarters, if they are bent on having new headquarters, let's put it that way, new facilities. One proposal which was made and was accepted at the last meeting of regional council—who knows what will be accepted at the next meeting—was for the renovation of the Mack School of Nursing residence building, the school and residence together, which actually belongs to the general hospital in St. Catharines. I remember when I was on the hospital board, at every finance committee meeting we had to talk about what we were going to do with the white elephant that was next door to us, because it turned out to be precisely that.

Some municipal people have advocated this as a future site if the building could be renovated. I asked the Minister of Health (Mr. Timbrell) at one time about the possibility of the provincial government assisting either through being involved in the forgiveness of the mortgage or in providing some certain kind of grant to use that facility, whether the government might be interested. He said; "Go and see the Minister of Intergovernmental Affairs, because I don't want it

to come out of my budget," which I think is reasonable in terms of the fact that he is dealing specifically with health.

I'm coming then to the Minister of Intergovernmental Affairs and asking whether he feels he would be able to have any financial input in terms of a grant or in terms of working out an arrangement where the regional municipality of Niagara could acquire this structure and have it renovated, and whether his government feels that that would be undue interference or whether he feels it could be of assistance in this regard since his government was responsible, after all, for implementing regional government in Niagara? Some may see it as conscience money; I would see it as a reasonable investment if, as I say, the region is convinced it must, must, have a new headquarters.

I wanted to be brief enough to permit the minister to answer at some length on some of these questions, so I'll close my remarks and wait with anticipation.

Hon. Mr. Wells: I can answer your last question without any need of any great study of that. I don't think there's any money around for us to provide any grants for the region to acquire the Mack School of Nursing residence building, if that's what they wanted.

Mr. Haggerty: Let the rural municipalities pay for it; that's what you're saying.

Hon. Mr. Wells: We don't have a policy of providing grants for regional headquarters. Even though this is a different type of building, if we were to help them financially to acquire this, someone else would want help for their new building. So I don't think we would have any money available. If they need any expertise or help in getting around to find out who's got the building, if they really want it and they want us morally to help them get it, we will be glad to lend our support to that if that's what they want.

My answer really has to be the same as I gave my friend the last time. It's really up to the region of Niagara if they want a new headquarters. I've been in their present headquarters, and it's a very nice place. I recognize it's the head office of an industrial plant that has been converted, but we had a very nice meeting there and it seemed to be a very good building. It's up to them to decide whether that or something better serves their purpose.

Mr. Haggerty: They could have had school facilities for $60,000 that would have been large enough for them. They have money to burn.

Hon. Mr. Wells: They're all elected, and the people in each of the area municipalities who elect the regional councillors there would have an opportunity to register their displeasure if the regional councillors decided they shouldn't go ahead.

I have to say that it's up to the region to decide what kind of a headquarters building they want and whether they want to convert another building, build a new one or make do with the existing building.

A quick assessment in answer to the honourable member's first question—and I want to check it out a little more over the weekend and then get back to him on Monday—would be that, as far as I know, there is no formal study going on in the Niagara region. There may be some other types of performance indicators. I want to check this out: Someone may have taken the Waterloo methodology and data and be applying it in some particular areas to the operation of the regional government there or some of the municipalities. I want to check that out, because I'm not sure. I'll let you know about that.

There's no further formal study going on in the region of Niagara. There is, however, an economic study going to be carried on by the Ministry of Treasury and Economics, as the member knows. It's something the regional council wanted and I think we all talked about when I was down there. That's a very good thing, and I hope it will be helpful to the region.

Mr. Epp: Mr. Chairman, I want to get some more clarification on the statement the minister made just a few minutes ago having to do with equalization factors.

As I understand it, no municipality will have its grants increased any more than five per cent and none will have them decreased any more than five per cent, as far as the factoring is concerned. Is that just for next year, or what are the long-term implications of this policy the minister has announced?

In other words, there are some municipalities on which this new factoring will impact very heavily; they're obviously not going to have a shift of anything more than five per cent. But is that just for next year? What's going to happen? Is the government going to be continually picking up the extra $50 million or so every year? Or is this the first year of a five-year period in which the government is going to be trying to clarify this whole matter?

The other question I would like to raise, which is obviously related, has to do with rationalizing the new factors in the light of the Blair report, which Mr. Simon wrote,

which indicated that the shift in property taxes should be from residential to commercial-industrial, and probably from rural to more residential.

What the new factoring is showing is that there is a significant shift from commercial-industrial to residential, and from urban to rural. This is in direct contradiction of what property-tax reform under Mr. Blair was recommending, and hoped would be implemented. I would like to get an answer to that, today, before we close down.

Hon. Mr. Wells: The answer to the last part of your question, as I have said, is not the introduction of factors. The use of the factors is not meant to represent a new direction in tax policy. Therefore, all those measures we are taking are to alleviate what could be interpreted as a new direction if those shifts were to occur.

I hope we have covered off most of those problems with what we have suggested, and which I will tell you is a one-year program. We are not suggesting this is a program that will be phased in over the next three, four or five years. This is for this year, this is how we are going to handle it. It is to not cause any policy changes that use of the factors in their natural form would occasion.

Your other question was about the 10 per cent; was that it?

Mr. Epp: One was the five per cent shift. The other was that it was ironic, because of the property-tax reform committee's recommendations, that the shift was more to residential from commercial-industrial, and to rural from urban. There were two questions.

Hon. Mr. Wells: As I said, we're not proposing something that is making any policy change in that manner, if that is happening. What we are trying to do is to correct that, in the use of the factors this year for grants and apportionments, so that most of the effect of any of those shifts will not occur. That's the aim of what we have announced.

The limit of 10 per cent means there will be an assessment change. The assessment change is going to be limited to 10 per cent relative to other municipalities—in other words, the amount of assessment change for grant purposes. That won't matter to the losers, because they are not going to lose anything compared in dollar terms to grants, as if the old factors had been used. On the top end of the scale there will be a limit—the assessment change will be limited to a 10 per cent increase.

On motion by Mr. Epp, the committee of supply reported progress.

The House adjourned at 12:59 p.m.

CONTENTS

Friday, October 12, 1979

Tourism support, statement by Mr. Grossman 3421

Assistance for Dominica, statement by Mr. Wells 3422

Radiation exposure, questions of Mr. Timbrell: Mr. S. Smith, Mr. Breaugh 3422

Hamilton expressway, questions of Mr. Parrott: Mr. S. Smith, Ms. Bryden, Mr. M. N. Davison, Mr. Gaunt 3424

Hospital bed allocations, questions of Mr. Timbrell: Mr. Cassidy, Mr. Kerrio 3425

Gas and oil supplies, questions of Mr. Welch: Mr. Cassidy 3427

Assault case, questions of Mr. McMurtry: Mrs. Campbell, Mr. Peterson, Mr. S. Smith 3429

Use of consultants by hospitals, questions of Mr. Timbrell: Mr. Breaugh 3430

Burning of PCBs, questions of Mr. Parrott: Mr. Kennedy, Mr. Wildman, Mr. B. Newman 3430

Disposal of hazardous wastes, questions of Mr. Parrott: Mr. Kerrio, Ms. Bryden 3431

Pricing of bill copies, questions of Mr. Elgie: Mr. M. Davidson 3432

Coal purchases by Ontario Hydro, questions of Mr. Welch: Mr. Sargent 3433

Report, standing general government committee, Mr. McCaffrey 3433

Tabling energy policy papers, Mr. Welch 3433

Motion re City of Hamilton Act, Mr. Wells, agreed to 3434

Estimates, Ministry of Intergovernmental Affairs, Mr. Wells, continued 3434

Adjournment 3451

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Davidson, M. (Cambridge NDP)
Davison, M. N. (Hamilton Centre NDP)
Elgie, Hon. R.; Minister of Labour (York East PC)
Epp, H. (Waterloo North L)
Gaunt, M. (Huron-Bruce L)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Isaacs, C. (Wentworth NDP)
Johnston, R. F. (Scarborough West NDP)
Kennedy, R. D. (Mississauga South PC)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
Martel, E. W. (Sudbury East NDP)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Newman, B. (Windsor-Walkerville L)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Sargent, E. (Grey-Bruce L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)

Ontario

No. 82

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Monday, October 15, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

MONDAY, OCTOBER 15, 1979

The House met at 2:03 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

CHILD ABUSE REGISTRY

Hon. Mr. Norton: Mr. Speaker, I would like to make a statement concerning the records which are kept in my ministry's head office of names of those persons who allegedly have abused a child and of the children themselves.

Among the revisions to the Child Welfare Act passed by the Legislature last year was one that required the director of child welfare to maintain a register of alleged child abusers. The act also defines abuse and requires that every person who has information of abuse, or suspected abuse, shall report the information to a children's aid society. In their turn, the societies are required to investigate all such reports and, upon verification, are to send specified, summarized information about the incident to the director.

From this information, the director compiles the register which contains little more than the name of the child in question and, where possible, the name of the alleged abuser. As each entry is made into the register, the alleged abuser is notified by registered letter and told of the right to apply for expungement, a provision included in the legislation.

This list of names is then available to any children's aid society to check, as new abuse or suspected abuse is reported, to determine whether a previous incident concerning the individual has been recorded anywhere in the province.

Without this central registry the children's aid society would have to make separate checks with each of the other 49 children's aid societies in Ontario, to ascertain whether a previous incident was known affecting the individual and which may have indicated a pattern of abuse. The services of this central registry are invaluable in assisting the society staff to determine an appropriate decision in these very difficult and emotion-laden interventions.

I believe this to be an exemplary piece of legislation. It has created a process which can materially assist our society's long-term battle against child abuse while simultaneously providing legal recourse to persons who may feel they have been improperly registered.

So much for the legislated register. If I might, I would like to move to the administrative process that was its forerunner. The honourable members will well understand child abuse knows no geographic boundaries. Child welfare authorities and governments across Canada and in the United States are all deeply concerned over this problem. Because of this concern, I am informed that nine of our provinces and 47 of the states maintain some form of central child abuse registry.

Historically, the registries have been created by the regulating agencies as a means of simplifying communication among many separate societies and as a means of monitoring the incidence of child abuse. Very few registries have had provision for informing the persons named in the registry. My ministry has accumulated a central file index of about 9,000 cases of alleged abuse dating back to 1968. These records are, of course, also part of the files of the 50 children's aid societies throughout the province.

Recognizing the concept that individuals should know what information concerning the individual is being used by the children's aid society in reaching a decision about child abuse, and keeping in mind the importance of the records of the past 12 years, a period which has regrettably seen a number of tragic cases, I have had to give careful consideration to just where the balance should be struck between these two legitimate yet differing interests, the civil rights of the individual and the need to know about any previous reports by child protection authorities.

I have decided, therefore, that if and when the children's aid society makes use of our files on a previous allegation or investigation in pursuing a new report of abuse, any person so identified shall forthwith be told of this fact by the investigating children's aid society. If, resulting from this information or new report of abuse, an expungement is sought, the required review hearing can be obtained at that time.

If and when access is made to our files by a coroner or the official guardian, the only other two persons who would have access in the course of fulfilling their respective duties, any person so identified shall forthwith be informed of this fact by the staff of my ministry, and again, an expungement can be sought and a review hearing obtained.

This decision, I believe, fulfils the spirit of informing the persons concerned, at a time when they need to know. It avoids the risk of after-the-fact intrusion into completely unknown and possibly changed family circumstances which would occur if letters are now sent to all those 9,000 persons on the list.

It also avoids a considerable cost which would be incurred by such a course of action, but I emphasize my first concern is that of protecting children and, at the same time, safeguarding confidentiality and civil rights.

In addition, I have established a time limit on inactive information in the former administrative file. Any name that has not been investigated during a period of 16 years from the first entry will automatically be expunged and the central file destroyed.

As a final word on the subject, I would like to make it clear that both the new child abuse register and the administrative records that preceded it are nothing more than a minor extract from the case records built and maintained by the local children's aid societies, as they pursue their mandate for protecting the children of this province.

Mr. McClellan: They will soon be bankrupt and you won't have to worry about it.

VISITORS

Mr. Speaker: I know honourable members will want to welcome to our gallery today participants in the Fifth Canadian Regional Seminar of the Commonwealth Parliamentary Association.

Parliamentarians are here from Canada, Belize, Jamaica, St. Kitts-Nevis-Anguilla, Trinidad and Tobago, the United Kingdom and the United States of America.

In addition we have a delegation of six from the newly constituted parliament of Ghana. This latter group flatters us by coming to observe not only the seminar events but the proceedings of this House as it establishes parliamentary democracy.

Will you welcome all our guests.

In addition to our distinguished visitors to the Commonwealth Parliamentary Association seminar, I know the House will also want to welcome Honourable Herr Dietrich Stobbe, President of the Bundesrat of the Federal Republic of Germany and Governing Mayor of Berlin, who is seated in our gallery.

Would you please welcome him and his associates.

[Later (2:43):]

Hon. Mr. Davis: Mr. Speaker, while you did recognize the members of the parliamentary group in the gallery, I would like to point out to the House that there is one very distinguished visitor there. They're all distinguished, but the former Premier of Prince Edward Island happens to be among that group. I thought the House would like to welcome him. He is in the back row, shy and modestly chatting with his next-door neighbour.

[Later (5:45):]

Mr. Chairman: I wonder if I could interrupt the debate of the committee. I'd like to draw to your attention the presence of visitors from the city of Wroclaw in Poland, sitting in our east gallery. They are accompanied by Mr. Janicki, the Consul General of Poland, on the occasion of their visit to their sister city of North York.

I'd ask you to please welcome our visitors today.

Mr. B. Newman: Mr. Chairman, may I on behalf of the leader of my party, the member for Hamilton West (Mr. S. Smith), and the Liberal Party extend greetings and best wishes to the delegation from Wroclaw, Poland, that is in the gallery. I would now like to say a few words in Polish.

(Translation:)

Mr. Chairman, it is a real honour for me, as the first person of Polish extraction to have been elected to the Legislature of Ontario—some 20 years ago—to welcome our honoured guests from Poland, from Wroclaw, to our Legislature on behalf of the Liberal Party and my leader, the member for Hamilton West, and to make these few remarks. I would like to have been able to say much more in Polish but I am unable to do so.

This parliament has 125 members, five of them of Polish descent, or four per cent. The 1971 population statistics for Canada indicate 316,000 persons of Polish background, or just under one per cent.

I am sure you will enjoy your visit and sincerely hope you will come back and visit us again.

(End of translation.)

Mr. Ziemba: Mr. Chairman, on behalf of the New Democratic Party and our leader, the member for Ottawa Centre (Mr. Cassidy), I have the honour to welcome the Polish delegation from Wroclaw, Poland, which has

arrived on the occasion of the twinning agreement between Wroclaw and the city of North York.

Wroclaw is a very old Polish city. Seventy per cent was destroyed during the Second World War, but because of the Polish determination it has not only been rebuilt but also was the home of the first international peace movement.

Mam honor pow tac polska delegacje Miasta: Wroclaw z okazji zawartego porozumienia o przyjazni miast blizniaczych z North York.

Wroclaw jest bardzo starym polskim miastem, byl zniszczony przez ostatnia wojne w 70%, ale dzieki postawie ducha polskiego w ludziach tego miasta wiele odbudowano i Wroclaw jest dzisiaj wielkim osrodkiem nauki i kultury. W tym wlasnie miejscu narodzil sie ruch obroncow pokoju w 1948 roku.

So I speak for all members of this Legislature in extending a warm welcome to the delegates, wishing them a pleasant and rewarding visit and a safe journey home.

Hon. Mr. Wells: Mr. Chairman, on behalf of the government I would like to welcome our visitors very sincerely and warmly. I think it is very fitting that they are here this year. Because of the actions of the Legislature many years ago and the initiative of North York they are able to visit the city of North York, one of our newer cities, although that may be hard for a city like Wroclaw to understand, having such a long and distinguished history.

North York, although it has been there for a long time, has not been a city for even a year. It has been a borough and it has been a township, but it now becomes a city. I am sure its relationship with a very historic city like Wroclaw is a good thing for both the areas. We are very pleased to have these delegates here.

I can't speak in their native Polish, as some of my confreres have done. If one of my secretaries were here she could do it, I think, even more beautifully than either of my two fellow members. She is not a member of this Legislature, but personally she would be happy to extend greetings to you in Polish. I do want you to know, however, that you are very welcome here.

Poland has very special significance for all of us, whether we be Protestant, as I am, or Catholic, because it is the homeland of the Holy Father, Pope John Paul II. His visit to Poland and his contribution is very significant in the world today. As the first Polish pope, as he is affectionately known here, I think he brings great credit to Poland also. We wanted you to know that, that Poland has gained a new status. Although it always had a very high status in our esteem, it has gained an even newer status as the homeland of the Holy Father and the place from which he comes.

We are very happy to have the representatives of Wroclaw here and to know that you are twinned with the city of North York. We hope your stay in North York and in Ontario will be a very happy and beneficial one.

[Reverting (2:12):]

ACID RAIN

Hon. Mr. Parrott: I take this opportunity to table for the information and comment of honourable members a document with the somewhat formidable title: The LRTAP Problem in North America: A Preliminary Overview. The same document is being released today by the governments of Canada and the United States.

LRTAP stands for Long-Range Transportation of Air Pollutants, the modern industrial phenomenon which has caused acidified precipitation or acid rain and has been a major preoccupation of my ministry for several years.

I commend this report to your attention. It was prepared by the Canada/United States Research Consultation Group established last year to co-ordinate research efforts in both countries. While it is of necessity a preliminary report, I look upon it as a valuable addition to the extensive literature being developed on acidified precipitation. It is, however, a highly complex document which must be considered fully before any conclusions can be drawn.

The report represents further: evidence that the governments of Canada, the United States and Ontario are working in closest harmony to solve a common problem. Members will note that in several sections reference is made to the contributions of the staff of the Ontario Ministry of the Environment.

I repeat that this is a preliminary report which is intended as an introduction to the problem. Further, more definitive reports are in the process of preparation.

I expect we shall have the opportunity to discuss the subject in more detail in the standing committee on resources development.

I say to the members, your reading of this preliminary report will convince you, I believe, that a vast amount of work remains to be done at the federal level and by ourselves to fully attack the phenomenon in all its complexities, and to dissect it scientifically to allow us to reach a meaningful inter-

national agreement under which corrective actions can be taken.

ENVIRONMENT WEEK

Hon. Mr. Parrott: I have a second statement which I shall read at this time.

I also wish to draw to the attention of the honourable members that this week, October 14 to October 20, is being observed nationally as Canadian Environmental Week. It is an occasion to encourage citizens to become better informed about environmental problems that we face in the 1980s.

The protection and enchancement of our natural environment cannot be left to a few specialists or to governments alone. It concerns us all, and we must all participate.

It seems fitting that this special week, established by an act of Parliament in 1971, should be so close to Thanksgiving. It is a time to express gratitude for our abundant natural resources and to remind us of our responsibility to preserve and protect these resources for future generations.

I also wish to acknowledge the important role played by the conservationists and citizens' groups in environmental protection and for providing the focal point for citizen participation.

The main objective of Environment Week is to encourage Canadians to become better informed about environmental matters and to participate more fully in the search for solutions. To this end, I am announcing a new environmental project organized by the Ontario Federation of Anglers and Hunters and with the full support of my ministry.

[2:15]

On Saturday, June 7, 1980, the federation will participate and undertake a one-day blitz to be called "Pitch-in Day." Volunteer groups from the federation, from service clubs, from schools and other organizations will stage local cleanups to clear litter from streams, shores, back roads, picnic areas, camp sites and even off-the-beaten-path recreation areas which lack regular collection services.

My ministry will promote the project with an advertising campaign next spring which will expand on the theme "Keep Ontario Beautiful" and expansion into a new direction in the 1980s.

We have been working with the federation for some time to organize this event and I think it is most appropriate to announce Pitch-in Day at the start of Canada Environment Week and to congratulate at the same time the federation members for their efforts in keeping the public aware that all of us must make a contribution.

ORAL QUESTIONS

PETRO-CANADA

Mr. S. Smith: I have a question for the Premier, Mr. Speaker. Since the policy of the government of Ontario I am told is to urge the federal government to retain essential functions of Petro-Canada, can the Premier tell us which are the non-essential functions which could be and should be sold off at this time in his view?

Hon. Mr. Davis: Mr. Speaker, I guess it's hard to determine what is essential. I communicated with the Prime Minister some time ago—I guess in July. Since that time the task force, or whatever way one wishes to describe the activities of the people who have apparently prepared the report, which I gather has been partially released by one of the political leaders of this country but which has not been made available—

Interjection.

Hon. Mr. Davis: I haven't seen it yet. The honourable member may have it, but I haven't got it. What I suggested in my letter to the Prime Minister was that we felt from Ontario's perspective there was merit in having Petrocan continue in some form or other.

I am not in a position to pronounce in detail on every aspect of Petrocan's activities. One could argue for instance that being in the retail business is not an essential part of a national oil company. In our view it has a role to play in terms of frontier exploration, international negotiation and those matters that have some national connotation.

In fact, I was interested in sensing from some very informal discussions with the private sector that the industry itself felt there was a role for a national oil company. I think, without getting into any detailed discussion today until we see the report—

Mr. S. Smith: What are the non-essential functions? You made the statement.

Hon. Mr. Davis: If the member will just be patient, what I did say in the letter was that I didn't think Petrocan should be doing something—I forget the exact phrasing—

Mr. S. Smith: For instance?

Hon. Mr. Davis: My, the member is petulant today. Why doesn't he just wait? Let me finish. Be patient.

Mr. Speaker: The Leader of the Opposition will have an opportunity to ask a supplementary.

Hon. Mr. Davis: I didn't think Petrocan should be doing something the private sector could probably do better. One could argue whether a national oil company should be in the business, say, of being in the retail aspect of supply—

Mr. S. Smith: Retail, perhaps.

Hon. Mr. Davis: I always have trouble with the Leader of the Opposition who has this great amount of wisdom and knows everything about everything. I confess to him I don't. I am dealing with a principle and with a concept. I communicated to the Prime Minister that I felt there was a role—still do—for a national oil company or energy company that deals with some of those broader things that gives us in this province concern as consumers.

Mr. Warner: Let's put the Bob and Bill show on the road.

Hon. Mr. Davis: I think we should await the report from the task force to see what their recommendations are and what their analyses are. Then I would be prepared to make some judgements, but I haven't defined exactly for the Prime Minister what should and what should not be kept. I dealt with it in terms of principle.

I also made it clear that I didn't think Petrocan should be in a position to have some economic advantage over competitors within the private sector. That doesn't make any sense to me either. But we do feel, on this side of the House, there is a role for a national oil or energy company. You can call it Petrocan or you can call it something else, but that is our point of view, and it has not changed.

Mr. Kerrio: Hydro.

Hon. Mr. Davis: I am looking forward to seeing the report.

Mr. Kerrio: Lougheed Incorporated.

Hon. Mr. Davis: You can talk about Lougheed. I don't think he is opposed to it, as a matter of fact.

Mr. S. Smith: By way of supplementary, since it is the government's own policy statement which we will be debating tomorrow, I understand that says that Ontario urges the federal government to retain essential functions of Petrocan, and since the Premier has apparently not decided in his own mind what he means by that statement, one can only speculate as to whether he understands what he means by any part of the policy that exists.

May I ask him, since the debate is now in progress as to exactly what functions are to be sold off and since he says retailing perhaps, in his view, is not essential, does it seem logical to him, when all the major oil companies are integrated in this complex world of ours, that the Canadian one should be disintegrated and that the Canadian one should retain, as is suggested by some in the federal party, the debt portion and give the money-making portion to the private sector?

Hon. Mr. Davis: I don't agree with the latter. I think the first statement made by the Leader of the Opposition is not totally accurate. There are a number of companies involved in terms of exploration and development of supply which, in turn, sell to those that are responsible for retail.

When I say retail, I really can't envisage Petrocan opening another four gas stations on highway 10 or, as we call it, Main Street in the town of Brampton because we feel we have a sufficient number of gas stations. That is how I use the concept of retailing. I just don't see their getting into that sort of part of the business and I would be surprised if many members on the other side of the House would either.

Mr. Cassidy: Supplementary: Will the Premier, on behalf of the people of Ontario, make it clear to the federal government that it is essential for Petro-Canada to retain its profitable activities in refining and marketing so that it is able to continue to finance the essential national functions of exploration and development?

Hon. Mr. Davis: Before everybody gets carried away over there, we made it clear to the government of Canada that Petrocan should retain those areas where it is making money to help finance those areas which for a period of time will be of an exploratory nature.

Mr. Cassidy: Supplementary: On behalf of the people of this province, will the government of Ontario unequivocally oppose any transfer of the operations of Petrocan into the private sector, but keep Petrocan as the largest Canadian-owned oil company which can operate in the interests of all Canadians?

Hon. Mr. Davis: Once again, I don't paint with quite as broad a brush as the leader of the New Democratic Party. It just is symbolic of their approach to everything in life. My view is that every crown corporation should be subject to some form of review. He says that when it comes to provincial crown corporations; to be consistent, he should say this with respect to any federal organization.

If there are some things that could be better done in the public interest by some other people and which are costing the taxpayers money or don't provide any benefit,

then I don't think any crown corporation should be in a position where it can say just because it happens to be whatever it is some changes shouldn't take place.

I can't give the leader of the New Democratic Party a commitment that I will say to the Prime Minister of Canada that everything Petrocan is doing is right, and that it should be enshrined in perpetuity, no. I will continue to press the Prime Minister of this country to have Petrocan, by whatever name, a national oil company involved in those areas that we think are fundamental and necessary in the broad public interest.

I have already done this—it has been communicated by the Minister of Energy (Mr. Welch)—and we will continue to do so.

ACID RAIN

Mr. S. Smith: I have a question for the Minister of the Environment, Mr. Speaker, following directly from the statement he has just given the House—the preliminary overview concerning the long-range transport of air pollutants. On page 14 there's a summary of the present stage of investigation.

I draw the minister's attention to the statement that the influx of sulphur compounds from south or north is in existence but the northward movement is comparable to the magnitude of the internal emissions in Canada. It goes on to say that the "greater portion of total sulphur deposition in each country is probably the result of domestic emission." To put that in plain English, what it says is that over half the sulphur falling on Ontario lakes and acidifying them is of Canadian origin, not 80 per cent of American origin, as the minister has been telling the resources committee. If this statement is in any way correct, will the minister take action immediately to deal with those polluters in Ontario and not hide behind the need for an international agreement before anything is done?

Hon. Mr. Parrott: Mr. Speaker, I think what I said in my statement bears repeating: this is a preliminary document, and will require a good deal of careful reading, not only of this document but of the other studies. The last thing I have tried to do is to get into a war of pointing fingers at other jurisdictions. I think what members are seeing here is perhaps a scientific disagreement. Second, it is comparing apples and oranges, if you will.

We must be very careful as we attack this problem and not draw erroneous conclusions. I'm not for a second suggesting the member just did. I'm simply saying it would be very difficult for all of us not to draw erroneous conclusions. This falls in a very scientific area where we relate on one hand deposition and on the other hand the total amount of emission.

I think I have always talked in terms of the total emission to our atmosphere. But what we must do is not only talk about it in terms of emission and deposition as the report is talking about, but try to put a weighted value on the different emissions. If you attack it form those points of view, I think there is only one conclusion you can come to: that this is a very difficult problem to fully comprehend and that more studies are required, not only by ourselves but by the federal government and the US. We should not try, in this one report, to draw full conclusions about what is going on in this rather international problem.

Mr. S. Smith: A supplementary question: I think the minister has made it very clear in front of the resources development committee and every member of the press that 80 per cent of the acid rain problem, in his view, is of American origin. He's been saying that all over the province. Since this makes it plain that over half the problem is of our own domestic origin, will the minister now tell us what more he needs in the way of evidence that will allow him to accept these conclusions and what he is going to do to get that evidence? Or will he start to take action here in Ontario before the acid rain problem gets completely out of hand, since at least half the problem is ours and not the United States of America's?

Hon. Mr. Parrott: Last June, when we were last here, I reported on the paper we put to the resources field ministries for Canada in Kelowna, I think in that we brought to the attention of the federal government the importance of the problem. Indeed they've moved a long way in that period of time.

I'm not trying to make claim today for their actions or to discredit what they've done. I'm simply saying that it would be a bit unfair to suggest we haven't been active in this field for a considerable period of time. The report indeed does give a good deal of credit to the officials of my ministry for the information in that report.

Given that, I really hope there will be time to discuss that at great length during the resources committee hearings which start tomorrow night. But I would like to correct the record in that I have not been fingering the United States and saying they are the cause of the problem. I think I have consistently said it is an international problem and that I recognize we contribute our share. Where

our share goes and where it does harm is a very difficult question to answer. We know we have to have a full understanding of the weather patterns of North America to understand that in full detail.

[2:30]

I think you will find it will take a great deal of time and effort to understand fully our contribution to our own problem and to the problems in some states of the United States and in other provinces. In my view, none of us gains by suggesting it is somebody else's problem. We have all been part of the problem, we must all be part of the solution; and the first point that must be made in that solution is an international agreement.

Some hon. members: The mikes aren't working.

Mr. Speaker: I have been told by the people who are operating the console that three rows of microphones are out of service. They assure me they are still able to keep a record of what is being said. Please be patient and speak up a bit so that you can hear among yourselves.

I am told a record is being preserved for posterity, but you will have to speak up.

GAS AND OIL SUPPLIES

Mr. Cassidy: I have a question for the Minister of Energy. Can the minister explain why his ministry is refusing to make available to the Legislature and to the public the information on inventories and projected demand for petroleum products—heating oil and gasoline—which the ministry regularly receives from the National Energy Board?

Hon. Mr. Welch: Mr. Speaker, I thought I responded to this on Friday in the House. The member for Carleton East (Ms. Gigantes) shakes her head; she was not in her seat on Friday, so—

An hon. member: The minister said he was satisfied.

An hon. member: Where was she? Protesting on Parliament Hill.

Hon. Mr. Welch: The member for Carleton East wasn't even here Friday.

I indicated to members that whatever information we had, which for some reason was not labelled by its source "not for public information," was available. I understand there are some reports that we receive, and as the member for Carleton East has been told many times when she has been over and has been accorded all the courtesies the Ministry of Energy should, in fact, accord to a member of this Legislature, that there are reports that come from the National Energy Board that carry with them certain endorsements with respect to whether or not they are for public information.

Ms. Gigantes: That's what we're talking about.

Mr. Cassidy: That's the whole point of the question.

Hon. Mr. Welch: The point is that I did later in the day make some information available with respect to inventories, which I have been reading published in the papers since Friday.

Mr. Cassidy: We don't know what you've been reading.

Hon. Mr. Welch: Well, ask me.

Mr. Cassidy: Supplementary: Rather than asking the minister to confirm published reports I will ask him this. Why won't the National Energy Board make that information available to the public of Ontario? How can this Legislature have an informed debate on the energy situation in Ontario here in this Legislature tomorrow when we lack the most basic information about the supplies of petroleum, which provides 63 per cent of our energy needs in this province?

Hon. Mr. Welch: Let me approach that in two different ways. I made it quite clear in this House in response to very legitimate questions from the honourable member with respect to the supply situation that the National Energy Board projects that by the end of this year the inventory of both gasoline and home-heating oil will be marginally in excess of the inventory as of December 31, 1978. On the basis of the information I have, in consultation with the oil companies, the situation in usual circumstances will be manageable.

Why the National Energy Board may endorse certain reports as not for public information is a question the member might legitimately direct to them. The member has the means by which that question might be placed in another form.

Mr. Warner: But you're not interested.

Mr. Cassidy: The multinationals get it, but not the people of this province.

Hon. Mr. Welch: I am in a position to know that we are supplied with certain information from this source. We have our own ways of monitoring the situation from other sources and, therefore, come to some conclusions.

On the basis of this information we have, we have talked in terms of the inventory of home-heating oil and gasoline as at September 1, 1979—public information I would be glad to send over to you.

Mr. J. Reed: Is the minister convinced the information he is getting regarding supply and regarding the inventory is complete, factual and totally truthful inasmuch as there appears to be a—I'm sorry, my use of words this afternoon is off a little bit; it's been a long weekend.

An hon. member: Not long enough.

An hon. member: Speak for yourself.

Mr. J. Reed: I would like to know if the minister is convinced the information he is using to indicate the petroleum supply picture for this next winter is as accurate as it can possibly be, understanding we have already had some indication of possible shortfalls and understanding the industry itself has indicated to us that one disruption of supply this winter could cause a shortfall.

Hon. Mr. Welch: Mr. Speaker, may I repeat what I said last week? In this type of an exchange, we have to do it in a responsible way.

I think the honourable member would be the first to admit that the situation is, as I've indicated, tight for this coming season, but I'm assured—and I've named my sources —by the National Energy Board and by the oil companies that it's manageable for this current season. There's a great danger in this type of exchange that we will be the cause of some unusual circumstances if the people themselves call into doubt this particular situation.

Mr. Warner: You've caused all sorts of problems. Why not cause another one?

Hon. Mr. Welch: As the minister, I surely can't be criticized if I'm relying to a large extent on the information I receive from the National Energy Board and from consultation with the oil companies. I draw the honourable member's attention to news comments over the weekend which quoted the oil companies as agreeing with our present assessment of the situation.

Mr. Swart: That's what bothers me.

Hon. Mr. Welch: As far as I know now, there's every indication in projecting present figures—

Mr. Cassidy: You used to say we had a 400-year supply.

Hon. Mr. Welch: —the situation will be in hand as far as this year is concerned.

Mr. Cassidy: Imperial Oil knows best.

Hon. Mr. Welch: I underline "subject to usual circumstances."

I can't help but agree with the honourable member that if something unusual were to happen with respect to international circumstances or some major disaster—surely I can't be held accountable for those situations. I have to rely to a large extent on the information I'm getting from the particular sources which I've been quite prepared to name, as the backup for this information and the conclusion to which I have come.

Ms. Gigantes: Mr. Speaker, I would like to ask the Minister of Energy if he thinks it's reasonable that the public of Ontario not be allowed to examine the figures which are available to him in making his judgement before us. Also, I will ask him about published information, since he's quoting it. Does he agree with published information printed in the Globe and Mail on Saturday that our heating oil supplies in Ontario are 6.45 per cent below those of last year?

Hon. Mr. Welch: Mr. Speaker, perhaps I've been misunderstood. This is already public information. The inventory for home-heating oil as of September 1, 1979, has in fact been revealed, and indeed it was at that time lower than it was at the same time the year before.

There's a reason for that, as the honourable member knows. Ontario, with its surplus, responded to a short supply situation in its sister province—a very responsible thing to do at that time. Therefore, it's taking a little time now to build that inventory back. I can assure the member, on the basis of the National Energy Board projections and information we have from the oil companies, we will have that situation rectified and will be marginally in excess of last year's situation by the end of this year.

I don't know what more I can do, except to repeat and to continue to repeat something which the people of this province are entitled to know—

Ms. Gigantes: Let's see the figures.

Hon. Mr. Welch: —that for the current heating season there is nothing to be concerned about under the usual circumstances we in fact, are using as the assumptions for coming to this conclusion.

An hon. member: Provided the weather holds.

An hon. member: Over-reacting as usual.

Hon. Mr. Welch: You're trying desperately to create a problem.

Mr. Cassidy: Is the minister prepared to insist to the National Energy Board that the people of Ontario are entitled to have the facts about the heating oil situation and is the minister further prepared to make those facts public if the National Energy Board

insists on continuing to leave them in the hands of the multinational oil companies?

Mr. S. Smith: Why the secrecy?

Hon. Mr. Welch: There's no secrecy, I would respond to the interjection of the Leader of the Opposition.

Mr. Cassidy: Of course there is.

Hon. Mr. Welch: I have shared with members the inventory as of September 1 and the projections as of December 1, both with respect to gasoline and home heating oil. In fact, I'll write them out in my own handwriting for the member if that will make them any more legitimate.

Mr. Nixon: Signed by his own hand.

[Later 3:16]

Mr. Cassidy: On a point of privilege, Mr. Speaker: The Minister of Energy earlier today indicated that information about oil stocks in the province effective September 1 is freely available. I've inquired where that came from and it turns out it was made available only after insistent and repeated questions by a reporter from the Sunday Sun. The information was given by the minister's assistant, Mr. Wieland.

The minister should confirm that as of September 1 the stocks were down by 18 per cent when it came to heating oil. That surely is not anything to be assured by or to be satisfied with.

Hon. Mr. Welch: It would be unfortunate if the honourable member left the impression it was only after persistent questioning. I responded to a question from the honourable member indicating I would go back and check what aspects of these particular reports were available. I was asked that question and made the information available to some reporter. I have that information here and would be glad to share it with members. There's no secrecy about this. It's unfortunate to create that impression.

[Reverting (2:43):]

AUTO INDUSTRY LAYOFFS

Mr. Cassidy: I have a question of the Minister of Labour. In view of the fact that the unemployment rate at Windsor is currently running at about 12 per cent, which is one of the highest rates of any city in the country, and that several thousand workers at both Ford and Chrysler are on indefinite layoffs because of technological changes in the auto industry, is the government prepared to make the case through Ottawa for transitional assistance benefits for those workers who face long layoffs because of technological changes in the auto industry?

Mr. Havrot: What kind of car does the member drive? Is it domestic or foreign?

Hon. Mr. Elgie: As the member for Ottawa Centre well knows, the manpower commission was established and its office commenced functioning on August 1. The primary matter that it has been considering has been the question of skilled training and matching the skilled needs in the community. The issue the member has raised is another issue it will be addressing itself to. I'll be prepared to bring a message into the House when I have received that.

Mr. Peterson: The minister is concerned about it too.

Hon. Mr. Elgie: If the member isn't careful, I might go to London and show him some concern. Certainly, the government has already shown its concern for unemployment in many areas of the province. As the member knows, the policy with regard to the Employment Development Fund is to direct funds to areas of high unemployment, and it will continue to use those levers and those methods to alleviate unemployment as it deems possible.

Mr. Cassidy: Supplementary: Can the minister explain why the government is prepared to entertain roughly millions of dollars in transitional assistance benefits for auto corporations that have agreed to technological change but is dragging its feet for months, if not for years, over the question of providing transitional assistance benefits to the workers who are affected by technological change in the auto industry?

Hon. Mr. Elgie: As I've already told the member, those are issues that the manpower commission and the commissioner will be addressing themselves to. I'll be pleased to report to the Legislature when those priorities are reached.

Mr. Warner: The government is not going to do anything.

Mr. B. Newman: Supplementary: I would like to emphasize to the Minister of Labour how important this is to the community. There are many former employees in both Chrysler and Ford and, I would assume, other industries in town who will be seeking welfare within the next two or three months. I would urge the minister with all speed to communicate with his federal counterpart and see that transitional benefits are provided to those numbers of people who are laid off as a result possibly of the auto trade pact.

Mr. Speaker: Will the minister?

Hon. Mr. Elgie: Yes, Mr. Speaker.

Mr. Cooke: Supplementary: Since many of the workers who are unemployed right now

have been unemployed for quite some period of time and will be resorting to welfare, does the minister agree that property tax which funds part of the welfare assistance should be used as assistance to workers who are unemployed? Because his government is not willing to put pressure on the federal government for adequate transitional assistance, why should property tax pay for that kind of assistance?

Hon. Mr. Elgie: I've already indicated to the member for Windsor-Walkerville that I would be pleased to forward that message.

[2:45]

GRANTS TO MUNICIPALITIES

Mr. Epp: Mr. Speaker, my question concerns the implementation of the equalization factors and on Friday the Minister of Intergovernmental Affairs made a statement with respect to this. I would like the minister to indicate to the House when he is going to make the announcement with respect to the grant package for municipalities and if he has any idea as to how much this grant package will cost?

Hon. Mr. Wells: The announcement of the grant package for municipalities will probably be made in about four weeks; I would think some time into November or perhaps at the meeting of the provincial-municipal liaison committee in November, but certainly in plenty of time for the municipalities to have the information for their use.

Mr. Epp: A supplementary: I wonder if the minister would indicate where this money is going to come from. Will it come from the ordinary moneys that have already been allocated to the municipalities via the grant package, or will this be in addition to the money usually allocated to the municipality?

Will the minister ensure the promises made in the statement to cushion the blow of the new equalization factors will not reduce the overall grant package?

Is this another way in which the municipalities are going to get shafted by having taken some of the moneys ordinarily going to them and reallocating it in a different way?

An hon. member: Same old shaft.

Hon. Mr. Wells: Mr. Speaker, I can't recall in 38 years that this government has ever shafted a municipality.

An hon. member: Boy, have you got a short memory. What a joke; a very short memory.

Mr. Breithaupt: It's only been 36 years, so don't worry.

Hon. Mr. Wells: I have listened to members talk a lot about cutbacks but I can't recall any year when we have ever cut back the amount of money that is available to the municipalities or the school boards of this province.

An hon. member: What about in education?

Hon. Mr. Wells: We have never cut back the amount of money for education. If you read a good English dictionary, cutback means give less than you gave the year before and I don't ever recall that happening.

An hon. member: What about inflation?

An hon. member: How about percentage-wise?

Hon. Mr. Wells: In answer to the member's question, the answer is that there will be more money provided to do the things that we said we would in our statement to cushion the effects of the new equalization factors in so far as the resource equalization grants and the general legislative grant are concerned.

Mr. Epp: Is this a continuation of the policy of the government to make statements as to the amount of money they are going to give municipalities through other areas without having any idea how much it is going to cost them?

Hon. Mr. Wells: No, Mr. Speaker, I believe I indicated in general terms during the estimates of my ministry, which we were discussing on Friday, that it could be somewhere between $10 million and $50 million. Having checked that very carefully afterwards, I think when I was chatting with the press I indicated it would probably be somewhere between $18 million and $22 million to put into effect a program that I talked about in the statement I made Friday morning—that that money would be available above and beyond the normal grants that would be transferred to the municipalities.

Mr. Isaacs: Does the minister intend that the phase-in of the new equalization factor he announced on Friday will be for one year only, or will he subsequently be announcing that the phase-in will be continued to 1981, and for as long as necessary?

Hon. Mr. Wells: I indicated on Friday, and I reindicate to the members now, what we are announcing is a one-year program and it is a continuing discussion and a continuing study of tax reform. All those things connected with government grants to municipalities will continue.

What we are announcing is a one-year program for next year's use of the equalization factors.

ALGOMA CHILDREN'S AID SOCIETY

Mr. McClellan: I have a question for the Minister of Community and Social Services with respect to the situation at the Algoma Children's Aid Society, arising from his statement on Thursday that the children in that area are not at risk as a result of the strike.

Is the minister aware that the Algoma Children's Aid Society has court orders to supervise more than 30 homes in which gross neglect or physical or sexual abuse has been found? Is he aware that in September 20, in the Globe and Mail, the executive director of the society said they were not able to enforce their supervision orders, and that again today the executive director has advised us they are still not able to implement the supervision orders?

Hon. Mr. Norton: Although I have great respect for the Globe and Mail, I have other sources of information upon which I rely.

Mr. McClellan: The executive director said it.

Mr. Warner: What's wrong with the executive director? Sure, attack the executive director.

Hon. Mr. Norton: I would like to advise the honourable member that I do rely upon the presence of senior staff of my ministry who are in that community, who are maintaining contact with the society and are monitoring the situation on a daily basis.

I have been regularly advised of the circumstances there. There was one time, early in the course of the dispute, when it was brought to our attention that there was the possibility of children being at risk. I communicated immediately with the board and I understand the board responded by involving some additional management staff to assist in the supervisory role they are maintaining during the course of the strike. It was subsequently reported to me that the supervision, although not optimum—I am not suggesting it's perfect; obviously it can't be when staff are on strike during this period of time and when this kind of dispute continues—but I am at this point satisfied that the children are not at risk as a result of the continuing dispute.

Mr. McClellan: By way of supplementary, does the minister not realize that failure to abide by a supervision order constitutes contempt of court? Is he aware that in the opinion of the executive director of this agency they are not able to do what the court has required them to do under the supervision orders and they are, in his words, in the position of being found in contempt of court? Doesn't that put the lie to what the minister is saying?

Hon. Mr. Norton: No, it doesn't. I would suggest to the honourable member that if that is the case it is something I will explore further with my staff and have them contact the executive director. I had not seen that particular concern expressed. I will examine the status of those court orders and how effectively they are being abided by.

Mr. McClellan: It was stated in the Globe and Mail three weeks ago.

Mr. Warner: Boy, what are you waiting for?

PINBALL PARLOURS

Mr. Peterson: I have a question for the Minister of Intergovernmental Affairs. Would he be prepared to introduce changes to the Municipal Act in view of the problem the city of London and other cities have had with respect to licensing pinball establishments so they could regulate hours of operation, distance from schools and things of that nature? This suggestion has the support of several other municipalities. Would the minister co-operate with those municipalities to do something and introduce legislation forthwith?

Hon. Mr. Wells: I would be glad to look into that. I am not sure what exact legislative amendments would be required, but I will be glad to look into it.

Mr. Peterson: The Premier was written to and he said he was going to petition the minister. So if the minister wouldn't mind communicating with the Premier, he is quite well versed in this problem and I am sure it has his full support.

I will tell those good people to forthwith look for a response from the minister, and I thank him.

Hon. Mr. Wells: I will be happy to do that. Of course, the Premier shares with me all his correspondence—

Hon. Mr. Davis: Certainly.

Hon. Mr. Wells: —that concerns municipal matters. I just tell the honourable member we would like to look at this. I guess there are municipalities that have found some ways to do it within their existing legislation, and pinball parlours haven't presented a problem to them.

Sometimes we are a little too quick to think that some provincial amendment can

solve every municipal problem. As I indicated the other day, sometimes there are remedies already there in the act, so therefore we would like to take a look.

FRUITLAND PRESERVATION

Mr. Swart: A question, Mr. Speaker, for the Minister of Housing. It concerns the OMB hearings on the Niagara regional urban boundaries which, as he knows, will recommence in November.

Is the minister aware that the developers and the municipalities have appealed to the Ontario Municipal Board to have included within the urban development boundaries most of the 3,000 acres which his government ordered to be left for agriculture? The region of Niagara is on record as supporting at least 700 acres of this.

In view of the fact that the attorney representing the ministry was extremely vague as to the ministry's position when he made a statement at a procedural meeting last June, will the minister now clearly state his position? Is it or is it not still his government's policy, as stated by the late Housing minister, Mr. John Rhodes, that the urban boundaries of the Niagara fruitland shall be cut to 3,000 acres less than those set by the Niagara regional council in 1974? Is that still government policy?

Hon. Mr. Bennett: It is, Mr. Speaker.

Mr. Swart: By way of supplementary, Mr. Speaker, may I ask the minister if he is aware that his lawyer, who said he was speaking for the Housing minister, told the OMB that it didn't necessarily have to follow what Mr. Rhodes had said, and concluded with these remarks and I quote: "Perhaps the board should now just hear all the evidence and come to its own conclusions."

Doesn't this show the minister once again copping out and if not, is he going to instruct his solicitor to defend vigorously the cutbacks which his government announced with such fanfare back in February 1977?

Hon. Mr. Bennett: Mr. Speaker, while I have indicated clearly that's still the government's position, I think we have to look at the fact that there has been a request for an Ontario Municipal Board hearing re the boundary lines as drawn by the government.

I was told by a number of people in the opposition that they felt it was reducing the right to have some freedom of expression of opinion at the OMB, that the government took the attitude that there should be no discussion, and it was making a charade of the OMB.

We were asked, Mr. Speaker, to have the OMB hearing. We have not taken a violent position one way or the other, because we think it's right to have some expressions of opinion from the various communities.

Our position at this moment is not altered.

Mr. Swart: I have another short supplementary, Mr. Speaker: I ask the minister if he feels in his view that it's right that he is going to leave his defence solely to a citizens' group to be financed by them at a hearing which is going to cost $1 million.

Hon. Mr. Bennett: Mr. Speaker, it is not our intention to leave our defence in the hands of the organization of which the honourable member speaks. Very clearly, we are asking for the expression of opinion, from the municipal aspect, the private aspect and from the other organizations that seem to have some views on the subject at hand. That's the purpose of the OMB, to have a hearing and eventually to make a recommendation to cabinet.

Mr. Warner: In other words, you won't defend the fruitland.

Hon. Mr. Bennett: Whether that recommendation follows the position the government has previously taken or not is something we will find out at the conclusion.

Mr. Swart: Your cutback means nothing then.

Mr. Warner: What a sham. You have abandoned the defence of the fruitland. That's what you have done.

SHOP CANADIAN PROGRAM

Mr. Cunningham: I have a question for the Minister of Industry and Tourism, relating to an article that I noticed in last week's Toronto Star.

I read with interest that the federal Minister of External Affairs blew $4,000 in a shopping spree in London, England. I wonder if the minister would take it upon himself the next time he's visiting with his kissing cousins in Ottawa to impress upon the honourable minister the merits of his Shop Canadian program and encourage her possibly to go on a shopping spree in his own constituency on Spadina, or possibly in the Sparks Street mall in Ottawa, where she works, or even in the town of Kingston where unemployment is very high at the moment.

Hon. Mr. Grossman: Mr. Speaker, I would be happy to do that. In fact I expect to have much more success with my kissing cousins in Ottawa than I used to have with the member's old kissing cousins in Ottawa.

My friends in Ottawa are currently being hampered by the quite frankly second-rate and mediocre Shop Canadian campaign left over from the earlier administration. I am happy to report that all indications are that the new government will hype it up, and continue to aid and assist our very successful Shop Canadian program—

An hon. member: Are we going to hear your voice from the radio still?

Hon. Mr. Grossman: —and I will send this button over to the member and hope he will put it on.

[3:00]

WORKMEN'S COMPENSATION

Mr. Lupusella: I have a question for the Minister of Labour. Considering that the last increase from the Workmen's Compensation Board in the workmen's compensation benefit levels took place on July 1, 1978, will the minister give us his assurance that legislation will be introduced in this session to compensate fully for the increased cost of living due to inflation?

Hon. Mr. Elgie: I am awaiting a report from the joint consultative committee of the Workmen's Compensation Board and a recommendation of the corporate board on that very issue, and I expect to have it shortly.

Mr. Lupusella: Supplementary: Will the minister also give us his assurance that he will bring the widows' allowance to a level of decency and adequacy, as well?

Hon. Mr. Elgie: That is a matter that is also before the joint consultative committee, as well as an interministerial committee, and when I have a recommendation on it, I will place it before cabinet.

Mr. Mancini: Supplementary: Why does not the Minister of Labour revert to the old policy where the injured workers could count on an increase on an annual basis? And why is it that now after 18 months we have to have an outcry from the opposition in the Legislature and from the injured workers and their families for an increase? Why doesn't the minister go back to the way it was and give them an annual increase?

Hon. Mr. Elgie: With the greatest of respect, I would differ with the member. There never was such a policy of a regular annual increase. There have been periodic ad hoc increases and, as the member well knows, the Wyeth group was consulted to prepare an extensive report on the issue of the whole financing and other matters relating to the Workmen's Compensation Board. That was one of the issues placed before it, and that is the report that is presently being analysed.

In the meantime, as I have indicated clearly today, I am awaiting a recommendation about that one specific issue, and when I have it I will make the recommendation to cabinet.

CANADIAN BRIDGE LAYOFFS

Mr. B. Newman: I have a question of the Minister of Industry and Tourism. Is the minister aware that 124 of the 214 employees of the Canadian Bridge division of Hawker Siddeley Canada Limited in Windsor were recently laid off, as a result of their inability to compete in the marketplace because of preferential treatment given to suppliers and manufacturers in the province of Quebec? And will the minister consider balancing that off after some fashion so that those 124 workers would not be laid off?

Hon. Mr. Grossman: The situation with Canadian Bridge is simply that if Hydro switched all its purchasing of towers over to this company, it wouldn't, in fact, be enough to keep the company in business. I am informed that that particular company lost $3 million in seven years producing these steel power-transmission towers.

Quebec Hydro, in fact, has a purchasing policy which differs from ours. Quebec gives a five per cent premium for Canadian products, plus another five per cent premium for Quebec-made products. As the member well knows, we in this province are encouraging purchase strictly on a national basis, not a provincial basis and, therefore, we have a 10 per cent national purchasing policy. That is the one followed by Ontario Hydro.

We discussed with Hydro—I took the matter up with Hydro—in order to ascertain what the situation would be if, for example, we went much farther than that—50 to 60 per cent preference, whatever—and made it Ontario-based. The answer is quite simple. For this particular firm to remain in business it needs to increase its annual business five times, in order to remain viable. That would amount to 50 per cent more than all of Ontario Hydro's needs over the next few years.

So, in simple terms, no matter what Ontario Hydro's purchasing policies were—and in this case I want to say I think they were quite adequate and sufficient—even if they were totally tilted towards this company and they bought only from this company, it still wouldn't be sufficient to make this company viable and profitable.

Mr. B. Newman: Supplementary: May I ask of the minister if his officials are looking into the unused capacity at Hawker Siddeley in Windsor and have it put to some other use so that at least some of the employees who are now permanently laid off would have an opportunity for employment once again with the same company?

Hon. Mr. Grossman: Of course, as is always the case in these instances, the Ministry of Industry and Tourism gets involved from the standpoint of seeing if there is something else that can go into that particular facility and if different work can be found for that particular plant. The Ministry of Labour is working on the pure labour side to see if those workers can get other and different employment. Both ministries are working on that situation now.

EDUCATION FUNDING

Mr. Cooke: A question of the Minister of Colleges and Universities: Now that the minister has had the OCUA report, System on the Brink, before her for a period of two weeks, I would like to know what her reaction is, and in particular, her reaction to the statement by OCUA that by 1983-84 the university system in this province will have been underfunded by $230 million if this government does not change its policy towards funding of our post-secondary institutions?

Hon. Miss Stephenson: Mr. Speaker, I have now had an opportunity to read the statement of OCUA, which I would remind the member is directed not only toward the government but also toward the institutions themselves and to the faculties of those institutions. I would agree that the basis of the prediction of OCUA is that, indeed, there will be absolutely no change in the pattern over the past several years, and I am aware of the concerns which have been expressed to me by the university community as well.

I would not comment because I am not at all sure that I could comment in mathematical terms appropriate to that statement within the OCULA white paper.

Mr. Cooke: As a supplementary, maybe the minister could indicate to the Legislature if she now understands that the universities in this province are in desperate financial situations right now, and is she willing to change her policies before one of them or a couple of them collapse and the quality of the post-secondary education system declines dramatically? OCUA already says it is declining. What is the minister prepared to do about it before the system collapses?

Hon. Miss Stephenson: Mr. Speaker, it is obvious the member has not read carefully the statement of OCUA, because OCUA is not stating that the system is about to collapse. It states that if the present trend continues for a period of time, it will be on the brink of collapse. Being on the brink of collapse and the potential that indeed it could happen after a period of time, I think, are entirely two different things.

DISASTER RELIEF ASSISTANCE

Mr. Nixon: I have a question of the Premier. Can the Premier report on what the position of the government of Canada is having to do with federal assistance for disaster relief in the Oxford-Brant-Norfolk tornado situation? The funds that have been gathered in by the committee are extensive but they have not as yet triggered the federal government to make any kind of contribution of significance.

Hon. Mr. Davis: Mr. Speaker, I can't right at the moment but I'll get that information to the member for tomorrow afternoon. If I get it earlier I'll phone it to him.

Mr. Nixon: Supplementary: I believe the Premier is aware of the procedure used by the government of Canada and there is some reason to believe that there might not be a contribution available under these circumstances. The Premier may well recall the criticism directed at the government of Canada by his colleagues when the formula did not come to the assistance of other disaster areas, northern Ontario particularly, and we would hope that they would change that policy in this regard.

Hon. Mr. Davis: As I said to the member, I will get a report for him.

FRENCH LANGUAGE EDUCATION

Ms. Gigantes: A question of the Minister of Education: Can the Minister of Education tell the Legislature whether she is prepared to let the parents and the board members of the Carleton school board know whether it is possible to go ahead with the building of the French-language high school in the Carleton board, Cyrville School?

Hon. Miss Stephenson: Mr. Speaker, I am prepared to let the parents know in due course.

Ms. Gigantes: Mr. Speaker, can I ask her how long the families and members of that board will have to wait to get an answer on this school, since they've been waiting for years now?

Hon. Miss Stephenson: Years? Mr. Speaker, I would think that it would be within the next several weeks that that statement would be made on behalf of the parents.

JAILING OF MOTORIST

Mr. Eakins: Mr. Speaker, can the Attorney General having contacted his ministry some time ago, now tell me why a constituent of mine was denied his right to serve three days in jail rather than pay an $18 fine for a speeding offence? Since the judge gave him this alternative and then refused him this right, why was his driver's licence suspended for non-payment of a fine? Why was he denied this right?

Hon. Mr. McMurtry: I am not aware of the circumstances related to this particular case. If the member would provide me with the particulars, I will endeavour to provide him with an answer.

Mr. Eakins: I have already written to the minister and received a reply saying he would look into it.

Mr. T. P. Reid: Your usual answer.

Hon. Mr. McMurtry: I guess that means we are looking into it then.

Mr. T. P. Reid: That's not a safe assumption for your office.

Mr. Conway: David Allen and Allan Dickie can do you better.

An hon. member: Actually, I hope it didn't take three months like mine did.

Mr. Eakins: I contacted a Mr. McLoughlin of the minister's office a couple of months ago. Will the minister assure me that my constituent will get back his driver's licence, which has been under suspension for months? In fact, this case took place over a year ago. He has been denied his rights.

Hon. Mr. McMurtry: I will endeavour to expedite a reply.

Mr. Conway: He must be just a plain, ordinary citizen.

An hon. member: He certainly is not a Tory.

CAS FUNDING

Mr. McClellan: I have a question for the Minister of Community and Social Services. The Hamilton Spectator reported at the end of September that the Haldimand Children's Aid Society would be bankrupt by the end of October. The source of this information was the executive director. Can the minister tell us what action he has taken to resolve the financial difficulties of that particular children's aid society?

Mr. Cooke: Don't you listen to that director either?

Hon. Mr. Norton: I didn't read the Hamilton Spectator.

Mr. McClellan: I just pointed that out so that the minister would know what the source was. It wasn't an esoteric source.

Hon. Mr. Norton: I am just trying to recall whether the situation in that society was essentially one of a cash-flow problem or not. I can get back to the member with certain particulars on it.

I am assuming that that society was in the same situation as some of its neighboring ones where, by virtue of certain decisions that had been taken by the society earlier in the year, it was faced with a cash-flow problem as it got towards the end of this year. We have met with several of those societies and have made adjustments in the cash flow which has eased the situation for them. So there is no danger of their becoming bankrupt, or whatever the term was that was used, in this fiscal year. It will allow them ample opportunity to make the necessary decisions to adjust the cash flow.

Mr. McClellan: By way of supplementary, I gather this society, as well as some 29 or 30 others, is going into budget review to try to persuade the ministry to give it adequate financing. Can the minister tell us how he expects to handle 30 budget reviews, how long that will take and how much it will cost?

Hon. Mr. Norton: I can't give the member precise figures on cost. I will get him an estimate on that. It is true there are a large number of societies this year that have requested reviews.

Mr. Swart: I wonder why.

Mr. McClellan: How many?

Mr. Cooke: Why are there so many?

Hon. Mr. Norton: The reviews are under way. We are trying to expedite them as much as possible. Part of the problem is that there are certain periods established by the legislation in which the societies can respond up to 30 days. I would point out that in almost every case the societies have responded towards the end of the 30-day period.

Mr. McClellan: That's because they couldn't figure out the gobbledegook you were sending them.

Hon. Mr. Norton: So there is an opportunity for them to take certain action which might expedite it as well.

Mr. McClellan: You still haven't given them criteria for foster-home funding.

Hon. Mr. Norton: Some societies are experiencing greater difficulty than others. But I would point out that there are some—and I don't say this to create a controversy—where it appears that as a result of a meeting earlier this year a decision was taken not to pay much attention to the budgetary guidelines of the ministry in developing budget submissions. As a result of that, we received budget submissions from societies ranging up to 46 per cent increases, and—

[3:15]

Mr. McClellan: From 30 societies?

Hon. Mr. Norton: —from many societies, budget requests for in excess of 30 per cent increases. The talk that is taking place now in terms of duress—

Mr. McClellan: Thirty? Thirty did that?

Hon. Mr. Norton: —and in terms of cutbacks—

Mr. McClellan: How many did that?

Hon. Mr. Norton: —is not really about cutbacks. They're talking about the difference between budget requests that paid no attention to budgetary guidelines and to the reality of the budget allocations that are available.

Interjection.

Hon. Mr. Norton: That is, in some cases, quite a significant gap.

I would also assure the members that in our monitoring of the expenditure patterns, societies in many cases are not spending at this point anything like what they were projecting in their budgets.

MOTION

PRIVATE MEMBERS' BALLOT

Hon. Mr. Wells moved that Mr. Kerr be substituted for Mr. Pope in the order of precedence for private members' public business and that all members of the Progressive Conservative caucus listed below be advanced by one place in their turn.

Motion agreed to.

RULES OF THE HOUSE

Mr. Martel: Point of order: Mr. Speaker, last Thursday my colleague, the member for Riverdale (Mr. Renwick), raised the matter with respect to the debate which is going to occur tomorrow. At that time he wanted to know if the procedure being advanced for bringing that debate about was in fact being handled properly. He wanted to know if there would be a vote.

You will recall you ruled precedent allowed this to occur.

On Friday morning, the Minister of Energy tabled two government working papers. This again raises the question of whether this is being done properly.

I looked at the rules of the House, and rule 30 of the standing orders indicates we can have committee reports, whether they be from select or standing committees. Rule 33(d) makes reference to reports which are required by statute to be tabled annually. There are also commission reports that are presented, but nowhere can we find any precedent for the manner in which the papers were tabled by the Minister of Energy.

While we appreciate the assistance given by the Clerk to both the member for Riverdale and to my inquiries, nowhere in there can I find anything that fits what occurred last Friday. In fact, the only thing that comes remotely close goes back a number of years —I thank the Clerk for supplying us with this material—when the then Premier, Leslie Frost, attempted to move in this fashion. It can be found on March 2, 1954, that only with unanimous consent was such a procedure followed.

With that in mind, I would ask that the Speaker go back over what has transpired and straighten out this procedure before the debate occurs tomorrow. There is no government motion to cover it; there is no procedural motion to cover it; and there is no possibility of voting on it. Forgetting the vote for the moment, I don't think the procedure for bringing it forward follows any of the rules or any of the precedents. I would ask the Speaker if he would review the matter and report tomorrow.

Mr. Nixon: If I may make a comment on the material that has been raised by the NDP House leader, I'm not sure what his objection is. Is he objecting that the report is not an official report but simply something that is internal to the ministry—that it's some sort of a blue paper on energy policy and not something that has been ordered by the House or would ordinarily be provided to the House as an official report? Or is the problem he wants the Speaker to review whether we can have a debate on a matter which does not culminate in a vote?

It seems to me, on the latter matter, we certainly do have precedents. I seem to recall a lengthy discussion on the Workmen's Compensation Board wherein it was possible for various members to bring to the attention of the board chairman and perhaps the then Minister of Labour, in a general debate, matters pertaining to the board on simply an order item that was the report of the Work-

men's Compensation Board. Admittedly that would be an official document before the House, but there was no vote to accept the report or to do anything but discuss it. It seemed to be a very orderly procedure to go forward under those circumstances.

If the matter the Speaker is asked to review is whether we can deal with a report that, according to the House leader of the NDP, is something less than an official document, it seems to be that by tabling it—and it would be I suppose by mutual agreement that we have a debate—I can't see anything wrong with that either. It was my feeling that we did have agreement before such a debate, but I may be in error in that connection.

Mr. Renwick: Perhaps, Mr. Speaker, you might permit me to make a few comments about the concern I have which is divorced entirely from the question of tomorrow evening's debate.

My concern with respect to tomorrow evening's debate was whether or not there would be a motion before the assembly and therefore whether we would, if we saw fit, be in a position to move an amendment to that motion during the course of the debate—and then the subsequent question as to whether or not there should be a resolution of the question before the House by way of a vote. That was the substance of the background and the reasons for the questions which I raised last Thursday.

I've had the benefit of the advice and assistance of the Clerk of the assembly, and I don't pretend for a moment that what I have to say is exhaustive, but I think it requires—divorced as I say from tomorrow night's debate—a question about the procedure of the House. I think it is, if anything, very unclear and, if I may use the term, "sloppy," as it presently exists.

As my colleague has pointed out, there is no question that under rule 30 we make specific provision for reports from select committees and standing committees. But rule 30 is related entirely to the procedures of this House in dealing with reports of select committees and of standing committees. It doesn't deal with a document of any other kind.

Then, as my colleague has further pointed out, rule 33 which deals with other reports and other documents of one kind or another, deals with their presentation before the House and the tabling of them, but is completely silent about any procedure by which such documents are taken into consideration by the House, if I read rule 33 correctly. It really deals with rule 33 (d), although I have given consideration to the whole of rule 33 as well as to rule 30.

I was provided with examples, because of course the House leader and you, Mr. Speaker, did refer to the precedents of the assembly and, as I say, I was somewhat naive about them.

I have been provided with four precedents. The first one—not in chronological order, particularly—was on April 28, 1978 when there appeared on the Order Paper under notices a government motion moved by the then Minister of Labour, now the Minister of Education (Miss Stephenson) "that the report of the Ontario Human Rights Commission, Life Together," sessional paper number so and so, be considered. That was on the Order Paper as a government motion.

The second precedent which was drawn to my attention was a government motion placed on the Order Paper by the then Treasurer of the province, Mr. McKeough, which dealt with a debate which I think some of us do recall. The then Treasurer placed it under government notice of motion that this House give consideration to certain documents, and so on. So that when it was debated it was in fact a substantive motion before the assembly for the consideration of those documents.

The third item which was drawn to our attention appears by a motion of the then Premier, Mr. Frost, back in, I think, 1960: "On motion by Mr. Frost, seconded by Mr. Allan, ordered that the report of the committee on the organization of government in Ontario tabled on Wednesday last as sessional paper number 54, be taken into consideration on Monday next."

Strangely enough, that is sort of a hybrid; that is an order and a motion combined.

The third item was an item in 1957 which was the report of a select committee which stated that the chairman, presumably, the then member for High Park, Mr. Cowling, presented the report of the select committee appointed on such and such, and having presented it, it was ordered "that the report of the committee be taken into consideration tomorrow." Presumably that was the origin of what is now rule 30 in the House.

The interesting point really is that if my advice is correct the origin of this confusion arose by reason of the very statement to which my colleague has drawn attention; and perhaps I could, because of its importance, raise it with you. In the Votes and Proceedings of this House on March 2, 1954, the following quotation appears:

"Mr. Allan, Haldimand-Norfolk, presented the report of the select committee appointed to inquire into and review the Cemeteries Act, the regulations made thereunder and related matters, sessional paper 56.

"A discussion of the report having arisen, after some time it was on motion by Mr. Frost, seconded by Mr. Daley, ordered that as some members may desire to speak to the report after they have had an opportunity to read it, the discussion be adjourned to a later date and that an order be placed on the Order Paper for its further consideration."

Then at a later date, on the Order Paper for February 11, March 2: "Resuming the adjourned consideration of the report of the select committee of thte Cemeteries Act, Mr. Frost."

In doing that, on March 2, 1954, we find this:

"Mr. Frost: Mr. Speaker, would you revert to 'presenting reports by committees'?

"Mr. Speaker: Presenting reports by committees.

"Mr. Allan: Mr. Speaker, I beg leave to present the report of the select committee appointed to inquire into and review the Cemeteries Act, the regulations made thereunder and related matters."

And he refers to the fact that he comes new to the House in relation to that, that it's the first time he has ever been chairman of the select committee and so on and so forth. He speaks to the report which he has tabled.

[3:30]

For reasons which I don't know, a number of members stand up and participate in that and comment about it. The last speaker concluded his remarks with: "The great British statesman the Honourable William Ewart Gladstone said this: 'Show me your churchyards and I will tell you the character of your people'."

Then the Honourable Mr. Frost rose to say: "Mr. Speaker, I want to take a somewhat unusual course at this time. I do not think the hon. member for Brant"—the then Mr. Nixon, the father of the present member—"nor the hon. Leader of the Opposition (Mr. Oliver) have ever heard of the adjournment of a debate in connection with tabling a report. But we are living in a new day and a new age and I think perhaps we should consider that innovation.

"There are some hon. members here who have expressed to me a desire to have an opportunity of reading the report and then giving it further consideration later on. The hon. members who have spoken, of course, have spoken unanimously in favour of the recommendation. There may be some who have questions to raise and I think that perhaps it might be a good thing to adjourn the debate at this point.

"Therefore I move, Mr. Speaker, seconded by Mr. Daley, that as some of the hon. members may desire to speak on this report after they have had the opportunity of considering it, that the discussion be adjourned to a later date and that an order be placed on the Order Paper for further consideration.

"I may say, sir, I do not suppose, since the days of Walpole, has there ever been a motion like that.

"Mr. Speaker: I think, however, it will have to be by unanimous consent."

In due course the debate, or the consideration of that report, took place and Mr. Speaker, on March 15, concluded: "There being no further speakers on this report, I declare the discussion of the report of the select committee on cemeteries now concluded."

I think these examples which have been given are so diverse and that the procedure seems to me to be so sloppy and inconsistent that I would urge your further consideration of it, having regard to the remarks which appear in the 19th edition of Erskine May's Parliamentary Practice about the questions involved in this.

Let me go back to the fundamental that I tried to raise last Thursday. In Chapter 18, page 364, it is stated: "Every matter is determined in both Houses upon questions put from the chair upon a motion made by a member and resolved in the affirmative or negative, as the case may be. The proceedings between the rising of a member to move a motion and the ascertainment by the chair of the decision of the House constitute a debate, and this process affords an opportunity for, and usually involves, discussion, although a decision may be reached without discussion.

"The essential stages in obtaining a decision of the House are (1) the moving of a motion; (2) the proposing of a question by the chair; and (3) the putting of the question and the collection of the voices by the chair.

"These three stages are connected together by the question, which must, according to long-established practice, repeat the terms of the motion and which must be so framed as to be capable of expressing a decision of the House.

"Moreover, no speech is permissible except to a question or to move, or (if the motion is to be seconded) to second a motion which

becomes a question, and every speech is confined by the rule of relevancy to the terms of the question.

"The interval between the proposing and the putting of the question, which is normally used for discussion, gives an opportunity for further proceedings, such as the moving of an amendment; and this may give rise to a subsidiary debate, with its own question and decision, within the principal debate. At the end of the process, when the question or main question is put, a decision is registered either by the chair announcing that in his opinion the 'ayes' (or the 'noes') have it, or (if that is challenged) by the division of the House into separate lobbies for the purpose of ascertaining which side is in the majority."

That seems to be quite a straightforward statement of the principle. May's Parliamentary Practice goes on to state at page 277:

"The motion, 'That this House do now adjourn, moved when there is no question before the House, is a form of substantive motion, but is more conveniently treated apart.

"The substantive motion for the adjournment may be used for discussing many subjects other than the termination of the sitting.

"Once such a motion has been agreed to, a sitting is necessarily terminated; but it frequently happens that an adjournment motion is moved without any intention of pressing it to a conclusion, and it is consequently withdrawn when its purpose has been served, the House then turning its attention to other business. The substantive motion for the adjournment is in fact a technical form devised for the purpose of enabling the House to discuss matters without recording a decision in terms. With one exception"—which is not relevant here—"such a motion can only be moved by a minister. It is a general rule applicable to all substantive motions for the adjournment that the subject to be discussed" —and so on—"must not involve legislation"—and so on.

So there is that procedure in the House at Westminster. It further states, in May, at page 283:

"Adjournment Motions . . . If no decision by the House is required, or if for some reason it is not desired to formulate a motion in express terms, a matter for which time is granted may be discussed on a motion for the adjournment of the House, which is moved either before or between the orders of the day, and which accordingly can only be moved by a minister . . . such motions for the adjournment may be moved by the government at the instance of the opposition. For example, such motions are now often the form used for the purpose of holding a general foreign affairs debate."

Mr. Speaker, my point really, as my colleague said, is to get some clarity about the procedure, because I find it most unusual, even in relation to the precedents to which I have made some reference, that we should find on the Order Paper, as the method for this sort of open-ended discussion tomorrow night, not anything related to a government motion, for which certain of the precedents provide support that that's the procedure to be followed, particularly in this instance the motion moved by the then Treasurer, Mr. McKeough, with respect to the discussion about the trends and options papers which had been tabled; nothing to do with sessional papers or anything; but that that discussion was a government motion before us. I find, of course, this is not, today, under government motions but under the orders of the day.

I really am not worried about all of the ancient talk about it, but I would want to make the point that since our standing rules, having been reviewed, have provided for the kind of specific instances which practice had led us to adopt, such as the reports of standing committees and of select committees, and I have elaborated that procedure specifically; and without using the Latin phrase that you and I would be familiar with but which might confuse some of my colleagues, that if you mention one you exclude the others, I would submit that there's no other method by which we just take under consideration a matter except always, of course, by unanimous consent. If the House leader for the official opposition's position is that there was an agreement, and therefore there was going to be unanimous consent, and yes we were going to have this debate, that's one thing. But my major question, really, is that I believe it is incorrect to have it appear on the Order Paper in this way, that it should appear as a government motion; and then that leaves open the question whether a government motion to consider certain documents, which is what this debate tomorrow in my judgement should be, is open to an amendment being made to that motion? I would submit it requires clarification because it is a substantive motion, and if an amendment to it is allowed, will it be phrased in such a way that there is a question before the House?

Again, I emphasize I simply want the clarity of it. There is obviously something to be said for the very simple procedure used

in the British House that if we want to have a general debate with no conclusion, with no question being put, on a topic such as the one which I referred to, general debate on foreign affairs and if we are going to have a general debate on energy, then perhaps the proper motion is for the minister, at the appropriate time, to move the adjournment of the House, for us to debate this matter as an adjournment matter, and then, as is the custom over there, at the end of the debate, for the minister to stand and withdraw his motion with the consent of the House.

So there is a clear procedure to permit the kind of general discussion we want. I am just simply saying that I don't think we need to get into stick-handling operations and do a distortion to the Order Paper. On Thursday I did refer to 1943, as being the original date of that distortion, but I gather it took about 11 years for the Tory government to be in power before they had the temerity to ride roughshod over the procedures of the House. But even then, under the protection of Mr. Speaker at that time, that unusual procedure, which had not been heard of even in the time of Walpole, could only have been adopted by unanimous consent of the House.

Again, I just want procedure. The position of this party is, so that we can make our decision, if it is going to be a general debate on a government motion on which there is going to be no vote, then we may very well, because of the arrangements made amongst the House leaders, agree to it that way.

If, however, it is going to be a substantive motion, then it seems to me that the debate might very well proceed and not even necessarily have a vote, again by general agreement, if there is provision for amendment. Because, of course, I notice that there is a motion standing in the name of the leader of the official opposition with respect to the energy policy of the Liberal Party and there is a motion in my leader's name with respect to Petrocan.

It might very well be, in a debate of the kind we are going to have tomorrow afternoon and evening, if there were a method by which the government would put its motion with respect to its policies, the Liberal Party could move its amendment, if they saw fit; we could move the amendment standing in my leader's name or a more expanded one, if it made sense to do so, and by general agreement there would be no vote, so that we don't get into the question that all we are using is a device to have a general debate.

My submission is that the question is of importance for that debate tomorrow, but transcends tomorrow, and should be clarified for the benefit of the House in future matters, so that we are very clear that this particular device can be clarified so that we all understand what the nature of it is, and we don't have to resort to some sort of technical stick handling to get these matters before the assembly.

Interruption.

Mr. Speaker: Will you have that stranger removed, please.

Hon. Mr. Wells: Mr. Speaker, in order to help you in your consideration of this matter, I would like to offer a few comments on what has been said in regard to the procedures that we are following.

First, I think we should very clearly make the point that I do not believe, and I do not think the record substantiates, that since 1943 the various governments of the day have been riding roughshod over the rules of this House.

I think that all members would agree that we have made significant progress, with the co-operation of all members, in revising the rules of this House to make them relevant to the times in which we live.

[3:45]

Mr. Warner: Pressure of minority government.

Hon. Mr. Wells: I think the rules of this House are being tailored to serve the purposes of a Legislature existing in the year 1979. I think that in so tailoring those rules —we have, for instance, in a matter of an emergency debate, while we use certain technicalities to structure that debate, when the essence of it is arrived at we have a discussion on a matter of urgency and we do not come to a vote at the end of that debate in this House.

Mr. Martel: It's covered in the rules.

Hon. Mr. Wells: It's covered in the rules. Perhaps we should cover this in the rules, but I just submit to you, Mr. Speaker, that what we are suggesting is in no way an unusual procedure, or a procedure that does not serve this House well.

In that particular case, covered in the rules, yes, there is a procedure for this House to debate, for all members to express in their own way their views on an important emergent matter of the day, without a vote being necessary; in fact a vote not being held at the end of that particular discussion.

Now, often times it serves this House well to be able to put on record the views of the various members at a particular time on a matter of national importance without necessarily having a vote at the end of that dis-

cussion. I think we have very reasonably and properly found the vehicle to do that over the years.

I submit to you, Mr. Speaker, that what we have been doing is not irregular, that it in no way violates the rules of this House, but merely tailors to the times the opportunity for the members of this House to express publicly, at that particular time, their views on an important subject. My friend has illustrated his remarks with some precedents. I'm surprised that he has taken some precedents and hasn't taken others, because we do have precedents of course, for what we're doing. I think perhaps if we have time we could find more, but we do have precedent for doing exactly what we're suggesting be done tomorrow from the year 1976. At that particular time we were debating a matter that is very similar to what we are suggesting be debated in this House tomorrow. There was a government document called Ontario's Proposal for an Alternative Method of Pricing Domestic Crude Oil. That document was dated March 1976. It was tabled in this House sometime before April 30, 1976.

As the House adjourned on Friday, April 30, 1976, the House leader of the day, my colleague the member for Brock (Mr. Welch), indicated in these words: "Mr. Speaker, before moving the adjournment of the House, may I indicate our program for next week? On Monday afternoon, we have the special discussion in the House taking into consideration the whole question of oil and gas pricing in preparation for the meetings later that week in Ottawa."

On Monday, May 3, 1976, when the orders of the day, part of our proceedings were arrived at, an order was called that was on the Order Paper. The order was for consideration of Ontario's proposal for an alternative method of pricing domestic crude oil.

The one thing I can say for my friend from Riverdale; I read the Hansard over, and he made the same point he's making today about not being able to vote on a motion. So he's certainly consistent in his approach. At six of the clock the order on the Order Paper which allowed the vehicle for the debate was discharged.

I think that served us very well. It allowed everyone to present their views, and for their views to be known by the government before they went to a federal-provincial conference on that particular and very important subject. I think it's been indicated, certainly to most of us in this House, that the whole matter of oil pricing is one of uppermost concern. The government is engaged and has been engaged in discussions on it. I think it's the wish of many members to have their views put forward in this House as quickly as possible; and I emphasize to you, Mr. Speaker, "as quickly as possible." That is a point that certainly was made at our House leaders' meeting: what would be the quickest and easiest vehicle for this to occur? Based on the precedent of the 1976 experience—and I am sure other precedents which, if one were to search, we could find—this presents a good opportunity for the members of this House to consider a matter of importance.

So I submit to you, Mr. Speaker, that I hope as you consider this matter you will agree there is merit in discussing certain matters—particularly those raised in government papers which have been tabled and become sessional papers in this Legislature—quickly and without, necessarily, the benefit of all that is entailed in having a motion and various amendments to motions in those particular areas.

I hope you will consider this, Mr. Speaker. I feel the procedure we have serves us well. If it does, perhaps the logical thing is to somehow build it into the rules. I admit there is no formal procedure for it in the rules, but there is certainly precedent for it. If we are erring by doing something only by precedent without having it in the rules, then perhaps we should sit down and enshrine it in some way in the rules.

Mr. Speaker: I want to thank honourable members for their contribution towards this informal debate. I suppose it was a point of order rather than a debate. I will consider it and get back to the House as soon as I have reached a decision.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF INTERGOVERNMENTAL AFFAIRS

(continued)

On vote 603, local government affairs program; item 1, local government:

Mr. Chairman: When the committee adjourned the other day, the member for Waterloo North had the floor. Does he wish to continue?

Mr. Epp: Yes, I do, Mr. Chairman. I suppose this would be a good time to continue with the subject of equalization payments, and to refer to a statement the minister made the other day and a question I asked earlier in the House.

It seems to me that the new factors as they have been put forth are somewhat contradictory to the property tax reform package that Mr. Blair recommended just a few years ago. The minister obviously will recall the money that was spent on that committee. There were some more studies subsequent to his report that the then Minister of Intergovernmental Affairs, Mr. McKeough, commissioned; and there was a committee that was made up of both technical staff and elected representatives. I think the committee was made up of around 40 to 50 people from the technical group and about 15, 20 or 30 educational and municipal representatives studying the political implications of property tax reform.

The thrust of the recommendations, in essence, was that the weight of assessment should fall more heavily on commercial and industrial property and less on residential. Also, there was a recommendation that the province take over much of the taxation for the farming community in the province, with the exception of one or two acres which would constitute the homestead of the various farms.

It seems to me that the direction of that proposal and recommendation was the right direction, taking some of the pressure off the home owners.

The new factors that have come forth, as announced last July 14, and the statement the minister made on Friday, it seems to me are going in direct contradiction to what the Blair report recommended and putting greater emphasis on rural properties rather than on urban properties, and on residential property as opposed to commercial-industrial. I wish very much that the minister would try to explain this new thrust being taken because, if the new program is adopted, the government is getting farther away from property tax reform. It also means that if property tax reform is brought in by a Liberal government after next year, we are going to have a much greater problem than we would otherwise. It's quite obvious it's a stopgap measure and something the present government is having difficulty confronting.

I notice vote 603 includes the matter of unconditional grants. I've raised this before, and I raise it again in the hope the government will look at the opportunity of unconditionalizing more grants.

I've said before, the Ministry of Transportation and Communications is probably the most vociferous in opposing unconditional grants simply because it likes to have strings tied to the various grants. I wish the minister could tell this House to what extent he's having some success with his cabinet colleagues in trying to convince them there should be more unconditional grants.

It would mean there would be more autonomy for the various municipalities in determining where the moneys they receive from the provincial government go. They have requested, through the Association of Municipal Organizations and through the municipal liaison committee that the province seriously study this.

The minister will recall that his deputy minister, only a year or so ago, came out with a voluminous report; in fact I think we received two volumes on the matter. He would only be too happy, I'm sure, to sit down with the minister and suggest how he could deal with this matter.

I wish the political decision would be made to unconditionalize more of the grants so the municipalities would have more say as to how those moneys are spent. There would be many more opportunities for municipalities to make these decisions if such a change of heart were to take place in the government.

At present, municipalities often have projects they decide to undertake simply because 75 per cent of the funding comes from the provincial government. Having spent 10 years in the municipal sector I've often heard it said: "The province is going to pick up 75 per cent of the cost of this project, so we may as well go ahead and spend it because for the 25 per cent we have to pay it's certainly worth it." On the other hand, there are projects that go unnoticed or unattended simply because the municipalities don't have the moneys. With unconditionalized grants they could address their priorities as they see them. I think it would be a better decision from the standpoint of the public, which all of us would like to see.

Another item in this is the municipal liaison committee. This committee is continuing to meet and I know they're supposed to meet this Friday. I'm a little concerned about the municipal liaison committee in the sense that often the committee does not get attention from the various cabinet ministers.

I know the Minister of Intergovernmental Affairs is a very active participant and he is very sincere in trying to maintain good relations with the MLC, but some of his colleagues often have difficulty getting to the conference table because they're afraid there might be some embarrassing questions asked of them. They don't have the same time restraints we have in the House for asking ministers' questions, with the exception of the estimates.

I hope the minister would have success with his cabinet colleagues in trying to get them to the MLC meetings and in making that a more productive session.

These sessions take place once a month, as most members know, with the exception of the summer months. Often it's an exercise in frustration for the various municipal representatives. It would be helpful if the minister were successful in convincing his colleagues to pay more attention to the MLC, appear more frequently and try to answer the questions that are often put to the ministers for clarification so that municipalities have a better opportunity of planning ahead and determining their policies.

[4:00]

Hon. Mr. Wells: First, let me comment on the comments that my friend made about the statement that I made in the House concerning the use of the new equalization factors.

I think I emphasized several times on Friday that this is a way that these factors can be used for one year so that they will not cause any disruption, or at least a minimal disruption, in those areas where they must be used for grant purposes and for apportionment purposes. They do not represent a new tax policy and they are not meant to change substantially our present tax policy. In other words, they're not going to throw significantly more of a burden on commercial and less on residential and farm. Likewise, they are not going to do the opposite. In other words, they're going to hold the mix about the same.

I think I heard my friend say that in a year or two or three or 10 or some time when a Liberal government is sitting over here—something which I doubt will happen—

Mr. MacDonald: Don't be provocative.

Mr. J. Reed: We'll give it a year.

Hon. Mr. Wells:—when they bring in property tax reform, it will make it a little bit harder for them to do. It's very good to hear that from my friend, because I'll be able to tell all the people in Metropolitan Toronto how their property taxes will rise if the Liberal government is ever elected.

Mr. Martel: They may change their position by tomorrow.

Mr. Haggerty: They've risen with a Tory government. They couldn't get any higher.

Hon. Mr. Wells: They might change their position, yes. As a matter of fact, all those teachers from whom they want to take away the right to strike will also have to pay higher property taxes. It will be very interesting. I'm sure they will be pleased to know that.

This system we're going to use for the equalization factors is not meant to have any dramatic effect or change in policy. It's to stabilize things in those areas where—

Mr. Haggerty: It's just a cooling-off period.

Hon. Mr. Wells: —without some remedy inequities could have been caused. I think that's what we talked about. As I indicated in the question period, for municipal purposes there will be something in the nature of $20 million added to the unconditional grants—I underline that—above what would normally be there to remedy and to put into effect the principles which we outlined in that statement. Those principles are that for grant purposes in 1980 no one will receive less because of the use of the new factors than under the old factors. The shift in apportionment will be significantly cushioned and certain money will be put in to hold the levies to a five per cent shift because of apportionment.

I think that's eminently fair. I hope when all the municipalities of this province have had a chance to figure out exactly with the detailed figures what this means, that this will, as I emphasize again, for the one year handle this situation and help us to be able to work towards a more equitable and rational system.

In the matter of unconditional grants, philosophically it's nice to believe that unconditional grants rather than conditional grants for most municipal transfers would be a good thing. I guess that was the recommendation and the conclusion the committee that studied this matter arrived at. It was headed by my deputy minister, as the member has already indicated.

It's very interesting when one reads over the list of municipal transfers of money transferred from the province to the municipality to think about what they are to do and whether one really can deconditionalize that grant.

My friend mentioned the Ministry of Transportation and Communications. We pay money for road construction, road maintenance, transit capital, transit operating, all of it amounting to a very significant sum of money, not quite but almost equal to the total of the unconditional grants this ministry, the Ministry of Intergovernmental Affairs, transfers.

A lot of that money is the reason advances are happening, for instance, in public transit. I would submit to you, if we were to deconditionalize and give that money without any strings attached in a manner that says to the municipalities, "Here is a block of money. You then decide what your priorities are," we

would find within two or three years they and others would be here on our doorstep saying, "Why don't you give money for public transit? Where are the grants for the construction and the operating costs of public transit?" "Well, they are there within the bulk sum transferred to the municipalities." "No, we don't believe you."

I can tell you the amount that would be transferred would probably never be great enough to satisfy everyone. Even though we took all the money that is now being given and deconditionalized, it still wouldn't be enough to please everyone. Someone would come along and say, "No, that money for transit is not there. You should have a grant for transit."

Of course, when we are thinking more and more about the development of public transit and the expansion of public transit, the trend is going to be more the other way rather than towards deconditionalizing. It will be towards more and more incentives to encourage municipalities and transit commissions and others to think of public transit and to encourage people to use public transit.

When you sit as a government, as we have to do, and think about ways to motivate municipalities and people in this direction, you find the conditional grant becomes one of the tools that is very useful. While philosophically it is easy to argue that deconditionalization and complete autonomy in use of money is the practical way, when you are trying to lead people in certain directions, conditional grants become very much the order of the day.

My friend has mentioned transportation. He didn't talk about some of the other areas. What about libraries? It has been suggested that library grants be completely deconditionalized and that the money be given completely to the municipalities. I know he has had letters, the same as I have, and he has had the briefs, the same as I have, from the library commissions and library boards across this province saying that if we do that we are going to destroy the public library system. I think that is an over-exaggeration, but certainly they feel the amount of money available for libraries is going to dry up.

Perhaps you would say the kinds of analogies I have drawn and the kinds of hypotheses I have put forward are just my suggestion of what might happen. I want to tell you, based on my experience and education, where we have deconditionalized the grants, those very things happened.

There was good cause, good reason, and I think the deconditionalized grant is working well in education where we have a total general legislative grant to school boards, but there are still a lot of people who do not believe this government gives money, in fact, a sizeable amount of money for special education in this province. It is there. It is part of the deconditionalized education grant.

If you go back and trace it, there is a certain amount per pupil that was built in from times when there were conditional grants. Textbook publishers will come to us and say, "Why don't you give some help to the textbook industry? You don't pay grants. Ever since you stopped paying grants for textbooks, our sales figures and hence the viability of that industry in this province has been going down."

The fact is, we still do pay grants for textbooks. It is there within the bulk grant and the amount of money is there. Sure, from year to year and depending on the conditions that total is restrained or advanced in certain ways, but it becomes more and more difficult to convince people we are, in fact, paying something towards what is their particular concern.

If that is coupled with the desire to move in a certain direction, as we must do in some of the municipal areas, it becomes more and more difficult to deconditionalize grants.

So that this doesn't sound like a completely negative approach to this subject, what I have been toying with, and I share this with the honourable members, is I think what we need to do is not look at this in a bulk, total manner for the whole province. What we need to do is look at a municipality, preferably a large municipality, perhaps a region, and get some people who are willing to try out an unconditional grant program on themselves or have us work with them to use this method.

In other words, as I understand they did in Manitoba, and I don't have all the details, I think they took the city of Winnipeg and they said: "Rather than change all the grant regulations for the city of Winnipeg we will design a block grant. We will give you a certain amount of money, just as the federal government gives us a certain amount of money, transferred in bulk, and you work out all your programs. You arrange and pay for them with what you get from your own sources, licensing, property tax, et cetera with our block grant." I don't know how it's working yet; I haven't really heard.

Perhaps that's the kind of thing we could try in this province rather than starting to move every municipality into an unconditional grant stance, something which, I quite frankly tell you, it would not be possible to do at this particular time. That might be a

way that we could move forward in this area and then test and see whether it is possible and whether it is workable.

In regard to the Municipal Liaison Committee, I think that the Municipal Liaison Committee is a very valuable body. I think we have some very viable municipal associations in this province. They all speak for various groups, some of them stronger and larger than others, but none of them speaks for every one. They all have an important message and an important view on legislation and an important view of the issues of the day. What we really want is to bring their opinions together.

The Municipal Liaison Committee was constructed and started so that this could happen, so that rather than dealing with us individually they could come together, formulate joint presentations on the various orders and subjects of the day and present them to us in the Provincial-Municipal Liaison Committee, the provincial part coming where we provincial people sit down wth them.

I know the criticism that my friend has indicated on the part of some of the members of the MLC who feel some of the provincial ministers haven't been available when they are wanted. I really would find it very difficult to agree with that premise over the last three or four months. I think my colleagues in the cabinet have collaborated very well in making available the information and being as available as they can.

I think one of the problems which I would share with you is the timing of the meetings, but we just haven't been able to come up with any other timings. Fridays are best for the municipal people because of the dates on which they hold various meetings of their own, various council meetings, regional meetings and so forth. Friday mornings are probably one of the more difficult mornings for us here, because this House meets on Friday mornings. So we always have the Provincial-Municipal Liaison Committee generally meeting when the House is meeting, which makes it difficult especially as ministers have estimates, they have to be here for question period, they have to perhaps have legislation.

Over the years there have been various things that have made it difficult, but I have told the MLC that what we have to do is sit down and make the process work even better. I believe they want to do that and I just want them to know that we want to do that. So I think we can overcome some of the problems and I think that things have been working better.

At the risk of getting into difficulty with the members of this House, I just want to tell the members of this House that we do use the Municipal Liaison Committee as a sounding board and as a discussion vehicle for legislation in municipal affairs.

Drafts of various legislation are circulated to the MLC for its members to comment on so that we will have the input of municipal viewpoint. So when the legislation comes before this House, they may not agree with it, we may come to a disagreement, but they will have had their opportunity to tell us what they think about it or to submit to us what they think should be done, and we've tried to incorporate that in the multitude of municipal bills that we always bring in here each year.

[4:15]

Mr. MacDonald: I have two issues I would like to raise with the minister.

Earlier this afternoon the minister made the comment that in the last 38 years he wasn't aware of any occasion in which a municipality had been shafted by the provincial government. That statement provoked the kind of outburst of incredulity that it deserved.

I want to raise with him one instance in which a municipality, in my view, is getting set up for a shafting and to raise it very forthrightly with the minister. I am referring to my own municipality, the borough of York. The minister is aware of the fact that one of the objectives in the whole Robarts commission review of the Metropolitan Toronto government was to examine the problems of a municipality such as the borough of York which had too small an assessment base in order to cope with problems and, therefore, its tax rate was continuing to go up.

I suppose there were two solutions in general terms that might be resorted to to cope with that kind of a situation. One would be to wipe out the municipality altogether and to amalgamate it with neighbouring municipalities. The second one would be to broaden its assessment base so that it would be in a position to cope with its problems in its own way. While there was a lot of fear, concern and scuttlebutt as to what Mr. Robarts was going to come down with, I was quite confident in advance, knowing his view with regard to moving towards bigger and bigger entities, that he was likely going to opt for the option of expanding the boundaries and broadening the assessment base of the borough of York, which he did.

He suggested that the boundaries should be taken up to Highway 401 and east to Bathurst Street and, generally speaking, the

southern boundary would be along St. Clair. That would make a neat compact municipality with an adequate assessment base and with an appropriate residential and industrial mix which would have brought the taxes down something approaching the average in Metropolitan Toronto.

That was fine, except that Mr. McKeough on behalf of the government announced that that proposal of Mr. Robarts was rejected. Admittedly in vague terms, he said that there would be compensating grants to relieve the excessive tax burden, rather than extending the boundaries and broadening the assessment base as Robarts had proposed.

For months the borough of York lived with the situation, and there was no indication as to exactly what the government was going to do. Each time I raised it with the various ministers, the answer was that they were taking a look at it in terms of all the reassessment of grants to municipalities. Finally, this minister, back last May 23, came down with an interim answer, a temporary answer.

In a letter to the mayor on May 23, he announced that there would be a special grant of $280,000 for this year to cope with the borough's financial position and that they would look at it again following the provincial government's review of "the basis for assessment-related grants."

That was fine, except, Mr. Chairman, that I draw to your attention that the $280,000 is something less than what one mill would raise in the inadequate assessment base of the borough of York. One mill raises $311,000. So what the minister has proposed is something less than one mill of assistance for this year to cope with this situation as compensation for the promise that Mr. McKeough had made when he washed out the Robarts recommendation.

Interestingly enough, the taxes in the borough of York, which are about the highest, if not the highest, in the whole of Metropolitan Toronto, are some nine mills above the average in Metropolitan Toronto. They are maybe some 16 or 17 mills more than the lowest but eight or nine mills above the average. In short, the special grant that the minister gave to the borough of York of $280,000 was approximately one tenth of what is needed in order to bring the tax rate in the borough of York down to the average for the whole of Metropolitan Toronto. It's a Band-Aid. It's admittedly a short-term answer; it's not a solution. This is the reason I raise this: The government has engaged in a review of what is described as the basis for assessment-related grants. Undoubtedly, that review is going to be a review which would take into account situations all across Ontario, and I am rather fearful that what is going to happen is out of that review there will come some new formula. It will be applied to all municipalities, as well as to the borough of York, but it won't meet the special problem of the borough of York which is there, which Robarts looked into, and for which Robarts came up with a solution which this government rejected.

I suggest to you the government has an obligation to come up with a special answer to the acknowledged special problems in the borough of York. If you are thinking in monetary terms, I repeat, it is going to be something like eight, nine or 10 times that special grant you gave as a sop this year, the $280,000.

The reason I raise this, Mr. Chairman, is this: Last spring, I sent out a Queen's Park report to my constituents, and in the usual questionnaire I put in to seek their views and their guidance on a range of issues I think are lively and important at any given time, one of the questions I asked was roughly this: "If the tax rate in the borough of York cannot be brought down closer to the average in Metropolitan Toronto, would you approve of the proposition that the borough of York should be amalgamated or absorbed by one of its neighbouring municipalities?"

I confess to being taken aback by the reaction, which as we all know is not a scientific assessment, it is just those who choose to send back the questionnaire. By a two-to-one vote the answer was yes. In other words, the people of the borough of York have suffered an excessive tax burden for so long, and the prospect of it being relieved by the Robarts commission and the Robarts recommendation is now down the drain. They feel the government is playing games with Band-Aid solutions, the ultimate solution is going to be buried in the review of assessment-related grants, and they are going to lose out in the shuffle.

I think it is clear the people in the borough of York, if that is what the fates have in store, are now increasingly open-minded, at this point by a two-to-one vote, to the possibility the municipality should be wiped out.

You may not be aware of the fact there is really a bitter historical irony in this. The borough of York, earlier the township of York, earlier still was the initial municipality in this area. Literally everything in this area is an offspring, so to speak, of the

borough of York. At one stage or another, down through the last century or century and a half, it has been carved off, and Toronto was set up as a city from that original municipality of York. Scarborough has been set up, North York, Etobicoke, and so on. What is left in the borough of York is the residue of that original municipality, and this government is now setting up a situation in which they are going to eliminate the original municipality out of which this whole area was originally created, or ultimately created.

I repeat, I think it is a bitter historical irony, and I think the minister should be very clear what he is doing if it is the minister's intention to do what Robarts might have suggested, but rejected, as the answer to the borough of York's problem, namely, to amalgamate it and absorb its excessive tax burden on neighbouring municipalities. He rejected that. If you are now going to set up a situation in which you don't meet the problem by compensating grants that aren't part of a general grant across the whole province, but compensate for that inadequate assessment base, which by Darcy McKeough's decision in rejecting the Robarts recommendation you have denied the people of the borough of York, you are setting the stage for the ultimate demise of the borough of York.

If that is your intention, okay, but it is about time you levelled with the public. If you don't really want to achieve that objective, then it's your obligation to come up with an alternative that is a substantive alternative because of your rejection of the Robarts recommendation. That's the first point I wanted to raise with the minister. I hope he will deal with it forthrightly because if he doesn't, it's going to give me a magnificent issue to fight throughout the next provincial campaign. I'll be glad to do it with a lot of the local Tories.

Mr. Nixon: You're on the ropes.

Mr. MacDonald: Just come in and we'll see whose ropes they are.

Mr. Chairman: Order, order.

Mr. MacDonald: Now let me move on to the second one. The second issue, Mr. Chairman, is an equally parochial issue but I have no reluctance in raising it because I think it has wider application and I want to raise with the minister his focus on certain sections of the Planning Act. Let me try to spell out the problem as briefly as possible.

As the minister is aware, in every urban municipality there are large high-rise apartments which tend to fall into the ownership of individuals who aren't interested in maintaining a reputable building; they're interested primarily in milking it for whatever profit they can get out of it and then passing it on. The result is that there is an incredible deterioration in the building.

In my riding, at the area of Jane and Woolner, there is a nest of seven or eight apartment buildings, four or five of which are in the category that I've just described to you. They need not be because right beside them is an Ontario Housing Corporation building at 190 Woolner Avenue which is a pretty exemplary kind of building. Everybody in the area acknowledges that. But what's happened there is that there's been such a massive deterioration it's really a festering sore, a social time bomb, because new people coming into this country—one gets the impression almost from the boat and the train—are up in there in great numbers.

There has been an almost total inability to come to grips with the deterioration because of the fact that there are three or four branches of the municipal government which are in the picture. For example, the bylaw enforcement branch, the medical officer of health from the health branch, and the fire department may come into the picture. What has happened is that no one of them, because of the gaps between the limitations of each one's responsibilities, seems to be able to do the job and the situation has gone from bad to worse. The net result is that with a little bit of assistance from Tenant Hotline and certain community workers, the tenants organized.

I remember a meeting last spring in which I was asked to chair a meeting between some management consultants who were fronting for an unknown owner, because they keep changing every six or eight months so you don't know exactly who the owner is, and the tenants' association to see if we couldn't come to grips with this problem. Even the management was interested in coming to grips with it because there was a rent strike. The tenants' association had some 30-odd—if I recall correctly—tenants who were withholding their rent, they were putting it in trust in a bank until they had some answer to the deteriorating situation, the details of which I won't go into here, in which there had been enforcement orders, suggestions, and what not from various branches of the municipality, but no action.

Then a very interesting thing happened. The minister may not be aware of it. The management of the company, following the meeting that I just alluded to a moment ago, instead of improving the building and then

reclaiming the back rent along with an increase in rent that they were trying to get, in effect sent out an order to the tenants and said, "Either you pay up your rent or you're going to be thrown out."

My advice to them was once they had cleaned it up they would have some justification for this kind of conduct but they didn't take my advice. The net result was they took some of these people to court and the tenants' association with the assistance of Tenant Hotline put in a counteraction.

[4:30]

Mr. Chairman, this is what happened. They came before a judge who recognized the situation. They recognized they had landlords who were playing games and who were milking the situation; who were not living up to the enforcement orders; who were willing to tolerate a deterioration of the building and, indeed, then get out and unload it on another landlord; and who had fronts so you had difficulty finding out exactly who the owner was.

The judge issued an order stating that by such-and-such a date this building would be brought up to a standard acceptable to the department of health of the local municipality and until that happened the rent would stay in trust. In other words, what could not be achieved in any other way, in a landmark decision a judge who had some milk of human kindness flowing through his veins took this whole situation, which was so confused and so complex, and cut through it and solved it. Since then, the situation has been gradually improving.

Against that background, I want to raise with the minister what people in the municipality in the local administration have drawn to my attention. It is asking an awful lot to let a situation deteriorate to the point where you have to organize the tenants, get a tenants' association, get the thing into court and have charges and countercharges. If that is the way the minister wants it to operate, I suppose that is the way it is going to operate, but I suggest there is another answer to it.

It has been drawn to my attention, for example, by the bylaw enforcement people in the borough of York, that under section 36(6) of the Planning Act, where an inspector discovers that the owners of a property are not conforming to the standards laid down by the bylaw, they shall serve either personally or by registered mail a notice to the owner.

In the context of the problem I just spelled out to you, you can't find the owner—you literally can't find him; he is buried in a deliberately constructed corporate name so you can't find him. If you send a letter by registered mail it comes back. After you have gone through that lengthy procedure, then the act says you can placard the building and let them know about it. Presumably, the superintendent or whoever is there acting on behalf of the landlord hears about it, and they have 30 days to comply.

At the end of 30 days, if the inspector comes to the conclusion they haven't complied, he is then back into the whole ratrace again. He either has to serve personally on the landlord a notice he hasn't replied to it, or he has to send it by registered mail, not only to the owner who can't be found, but to anybody who might be involved—theoretically, anyone who holds a mortgage on these buildings—and there is mortgage built upon mortgage upon mortgage.

In short, without going into any more detail, Mr. Chairman, what I am suggesting to the minister is while we got a landmark decision in coping with this problem and hopefully, a solution to this problem from the courts—and the courts shouldn't be the place where you have to get that decision—the answer to it lies in some examination of a very complex, prolonged and complicated kind of procedure which is an open invitation to an owner, a landlord, a superintendent acting on behalf of the owner or landlord, either to ignore the enforcement orders or to fulfil them only partially; in short, not to solve the problem.

I would appreciate the minister's reaction. Perhaps he can't give it today, and I wouldn't blame him. I don't feel competent myself, not having worked in the Planning Act for some years. In the Ontario Municipal Board days, when we had a select committee, I was more familiar with some of the Planning Act, but I'm afraid I've got drained off into other specialities in the intervening years, so I don't feel competent in this matter.

I think the minister, or some of his officials, should look at the matter and come up with a streamlined procedure which will make it possible for the various branches of the local municipalities to have the teeth to come to grips with a problem like that, so you don't have to have this massive human buildup and confrontation, which is ultimately taken to the courts for resolution.

I would appreciate the minister's reaction to both of those issues.

Hon. Mr. Wells: In answer to the last question about enforcing standards in apartment buildings, I think I feel some sympathy for the views put forward by the member. I'm

sure all members, particularly those from densely-populated areas in Metropolitan Toronto, have faced the same problems with their constituents and tenant groups. I'm thinking of those who are living in an apartment building and see the quality of the building deteriorating around them and feel powerless to get something done. I think it's very significant that the judge did come down as he did and get some redress in that particular area.

I'll be glad to look into this. As the member knows, the Planning Act is not a responsibility of my ministry. Therefore, what I'd like to do is sit down with the Minister of Housing (Mr. Bennett), who has the purview for the Planning Act, and see how we perhaps can streamline some procedures to assist people in this area.

Mr. MacDonald: What's the time frame you're putting it in? Six weeks, six months or six years?

Hon. Mr. Wells: Let's say six to eight weeks. We'll take a look and see. I have as many problems that way as he does in my riding. We find that sometimes we don't wait for the courts; we try to use the "prestige" of a member of the Legislature to pressure a few of the owners of apartment buildings to do a few things from time to time.

Mr. MacDonald: You should try to meet the owners in my area and see if that would work.

Hon. Mr. Wells: The member for Scarborough-Ellesmere knows we usually know the owners out in Scarborough.

Mr. Warner: There are a few missing.

Hon. Mr. Wells: But I think it's a good point and we'll look into it.

In regard to the problems concerning the borough of York, we've discussed this matter before. As the member knows there are three tax levies that fall on the property owners in the borough of York. There's the education levy, which is a uniform levy across Metropolitan Toronto. Nearly 50 per cent of the levy in Metro has been equalized, through the equalized mill rate for education across Metro.

So we're really talking about those levies for municipal purposes, of which there are two: the Metro general levy which is levied in the borough of York for the services and costs of the Metro government, and the borough of York general levy for those services they provide. I can't remember the percentages. It probably amounts to a 50:50 split. It may be that Metro is actually responsible for more than 50 per cent of the services. It's the assessment base that the Metro levy is levied on in the borough of York relative to the other boroughs that really matters, as well as the general levy the borough of York has to levy on its assessment base and whatever the mix is.

The member is quite right. John Robarts and his commission said in order to correct the situation, the borough of York should be expanded greatly. While that was for the financial matter, I'm not sure it wasn't for some other reasons also. He suggested that both York and East York become larger municipalities—this being a way their financial problems could be solved, as could some of their other problems. They would become more equals among equals in the whole Metro setup rather than being two smaller boroughs in a setup that had four large cities and boroughs.

For a variety of reasons—and I won't go into all those reasons—the government decided against it—and it wasn't just the former minister, it was a decision I shared in and applauded most heartily, as I think the whole government did. We felt the idea of shifting boundaries in Metropolitan Toronto would solve one problem but would only create many more and was a very disruptive way to get a solution to the problems in York and East York. We rejected the boundaries and we still reject those boundary changes that were suggested. We do not think that's a viable way of curing the problems in Metropolitan Toronto.

The second proposition my friend put was that, therefore, we're in favour of the demise of York. We're not in favour of the demise of York either. I believe the borough of York and the borough of East York should remain in the metropolitan partnership.

Mr. MacDonald: With respect, East York may be small and want to remain small. However, it has the second lowest tax rate in Metropolitan Toronto. So while it's small, which means that it has a comparable position to York, it has very favourable tax revenue.

Hon. Mr. Wells: I was looking at the tax rates here.

Mr. MacDonald: The ones I got about two months ago had East York at about 163, while the lowest was 161. The borough of York was 177 to 178 and the average was about 168.

Hon. Mr. Wells: I see these mill rates are for 1978. Those are not the 1979 ones. When you and I were having our discussion about matters in York and the special grant to York last year, we were basing them on 1978 tax rates at that time probably too. I see that

Toronto and York were almost equal at that time. There wasn't much difference between them.

Mr. MacDonald: For other reasons.

Hon. Mr. Wells: The borough of York has not always been as out of line as perhaps it may be this year. Anyway, all that being said, perhaps we can get the 1979 mill rates so that I can take a look at them too. I just don't happen to have them in my head.

I won't talk about East York, although I was going to tell my friend that I get the same arguments put forward for East York about the dire straits that East York is in. Maybe they think their mill rate should be even lower but they also feel they have a problem. Let's put that aside.

We do not favour the demise of the borough of York. The borough of York has had good members in this Legislature. My friend has been a member here for a long time. The borough of York also has a very fine mayor who puts forward the case very eloquently. I have assured her many times that we're not in favour of the demise of the borough of York. We want to find some vehicle or method to solve the problem.

Mr. MacDonald: You just want to let them suffer a long, long time.

Hon. Mr. Wells: No, we don't want them to suffer. We want to be sure that they enjoy the full benefits and the full riches that are here in Metropolitan Toronto. The people who live in the borough of York are good Metro citizens just like the people who live in Scarborough, Etobicoke, North York, Toronto and so forth, as the members of this Legislature know. I believe the Metro federation is one of the shining examples of two-tier government that has really worked and really done something for this area and that you can't separate it.

The people who start wandering around this country, holding Toronto up as an example, and then come home here and want somehow to shaft Metro really don't recognize what has made this whole area the great area it is. It's Metro. We have a viable downtown Toronto because we have a viable Metro. We've all been able to work together. Therefore, we've got to make sure that York also enjoys all the benefits and all the advantages of being part of the federation.

Without being able to go into any specifics, because that will come as we work in the next six to eight weeks with the specifics for the grants for next year—and that's just one area—we want to try to do what we can to remedy the situation for York.

Also, when we look at whatever changes we do make in so far as the Robarts report is concerned, there may be some changes in the way things are handled in Metro that can benefit that area. That's the most I can assure my friend. I just want to assure him that I know the plight of the borough of York and we believe that something should be done.

[4:45]

I see my friend from East York is now going to come across and is probably going to make a speech for the borough of East York. I want to assure him, and also my colleague, the Minister of Labour (Mr. Elgie), that we have listened to, perhaps not similar but eloquent, pleas from East York that they also be looked upon as a viable part of the Metro federation and we intend to continue to keep that before us.

Mr. Haggerty: I would like to address myself to this particular vote, 603, item 1, local government, and perhaps I should relate it to the notice in the Ontario Gazette, July 14, 1979, as it relates to the amendment to the Assessment Act under section 71, the provincial equalized assessment and equalization factors.

I notice in the list of numbers of municipalities that will receive their notice of changes in the provincial equalizaton factors that it varies from 0.87 to a factor of 100. I don't know the methodology used by the ministry but I am going to hit perhaps closer to home, and that is the regional municipality of Niagara. I am sure the minister has received a number of petitions, particularly from the township of Wainfleet and other areas there, such as Niagara-on-the-Lake, objecting to the new factors the minister will be using in the Niagara region.

If you look at the factors there, for Niagara-on-the-Lake 6.56 is the equalization factor, Welland is 14.01 and the city of Thorold is 13.16. You can see the variance there is a factor of almost 100 per cent change in the equalization factor among these three municipalities. Wainfleet is one of those which will be severely hit by this proposal to change the equalization factors. I believe their estimated tax increase would be 40 per cent or more, an actual cost to each individual property owner of $254 additional cost for his 1980 taxes.

I am puzzled as to the methodology used by the ministry in arriving at these factors. When I look at the word "equalized" I can only assume you mean equalized assessment and equal grants. Based upon the principles used here, you shatter the principles of regional government and any upper-tier government.

What you have done here is to shove the responsibility for higher apportionment cost

to the rural municipalities. In the former county of Welland we used to treat our municipalities more equally than you are at the present time under these suggested changes.

If you look at the past history of Welland county, before regional government came into the picture every time a rural municipality would attain a new industry you always had the cities ready to annex it. Through regional government you put a stop to that, but what you have done here is to prohibit a rural municipality to expand in the industrial field. I can see now why Niagara-on-the-Lake wants to sell more farmland to bring industry into that area to share in the cost of local taxes. Under this equalization factor here, they are not going to share that industrial tax base.

When you look at it, what you have done is brought in market value assessment in the province of Ontario through using the equalization factors. Your factors are based on the 1978 sales. You picked the peak year, the highest yield for sales in the province of Ontario at perhaps the highest cost in the history of homes in the province of Ontario.

When I look at that particular area, as I said before, you have brought market value assessment in through the back door. It was such a contentious thing with the government for the last 10 years, and finally you have found a method to bring it in.

The 1976 Reform of Property Taxation in Ontario, an Ontario budget paper reprinted by Darcy McKeough, Treasurer, says: "Timetable for reform: Market value assessment will not be used for property taxation until 1978."

Well, it's 1980 now. This is a one-year postponement.

"Preliminary analysis of new assessment data indicates that substantial changes to the current tax system will be necessary to prevent undesirable shifts in tax burdens." By bringing in the equalization factors, new ones, you've put that shift of additional cost on to rural municipalities. He goes on to say that he is going to appoint another commission to look into it.

In the last paragraph he says, "Assessment notices for 1978 taxation will be sent to property taxpayers in the early summer of 1979. This early mailing and notices will enable appeals on a new assessment to be heard during 1977, so that the last revised assessment wrote in 1978 taxation will be available in December 1977. The implementation timetable will help to minimize any transitional disruptions to local government financing."

I thought that was a pretty good comment there, that McKeough indicated that there were still difficulties in bringing in and implementing market value assessment. But for some unknown reason we see it being implemented now, and without the proper appeals for property owners in any region or any municipality in the province of Ontario. The minister has not set the appeal procedure up, he has denied them that right to appeal.

In fact, I think if the minister talks to a number of clerks in the municipalities, who are more knowledgeable than I am in this particular area, they have indicated to me they have never seen market value sales of a particular municipality. It has never been shown to them, yet.

How can we judge the minister's statement of last Friday, October 12, when he says it's an ad hoc measure that he has brought in? It's good for one year. He is going to guarantee them that they are not going to be hit too hard, but that additional factor will certainly bear results in 1981, even though he says it will not increase any more than five per cent. But if he takes in the 1979 and 1980 factor, it's going to have a serious impact on the municipalities.

I say to the minister that when he looks at the cost that is going to be put on to a municipality, say the town of Niagara, or the township of Wainfleet, and he talks about enforcement costs, they get very little services from the region. Sure they may get a suburban road built. But why shouldn't it be that way? One can't expect a small rural municipality to pay for building and constructing a heavy road to carry heavy traffic into a city, or an industrial area, and saddle the small municipalities with it.

I suggest when the minister looks at the small communities within the Niagara region —I presume he will be there this Friday afternoon; at 4:30 I believe he is meeting there—that if he looks at the structure of these rural municipalities he will see that they pay the highest hydro rates in the region, they pay the highest telephone rates in the region, and they are paying the highest taxes relating to enforcement costs.

They have very few police facilities. In fact, I can recall the time that Wainfleet had its own police force before they went into regional government. They used to have the police facilities located in the village of Wainfleet, and it provided exceptionally good service. The police commission at that time, and through the chairman, decided it was going to close the facilities in Wainfleet. The reason he gave for closing it was—they made

a study on it—they had about 13 calls in one month, and I could be wrong on the figure, for required police assistance and maybe three or four for traffic and things like that. They said the facilities there didn't warrant the police services in that community. So they closed it up and shipped all the policemen to the city of Welland.

Now they have to work from Welland to Wainfleet. Officers who don't know the area have to cover one of the largest municipalities in the region. I think the chairman at that time missed the important factor. The important factor was, although the police force was small, it was doing its job, because the crime rate was down. They were out communicating with the public. They had good dialogue with the public.

This can be found all the way through these small communities throughout the region which are paying a higher cost today. I wasn't enthusiastic about regional government and I am still not. I see the tax shift from heathy communities such as Welland and Thorold that have healthy industrial tax bases and are paying less taxes this year, while the smaller rural municipalities have to pick up a bigger share of the regional cost. It's unjustified. There is no justice there whatsoever and I hope when you are down there on Friday you are going in with a better package deal than you have there, because I can see perhaps in two years from now we will be back paying that heavy cost to the region.

My colleague from St. Catharines discussed the problem of the regional municipality of Niagara; the costs to local governments. And I know people are not happy with it. He talked about building a new edifice there, a new ivory tower for regional council. He talked about the Mack nursing school, I believe it is and perhaps that building could be better used for senior citizen's units or housing.

I remember writing a letter to the chairman about six years ago suggesting he should buy Pelham school. You are familiar with that. I believe in my letter I suggested it to you, if I am not mistaken. They could have bought that with about seven or eight acres of land for $60,000. They had a beautiful auditorium there. They could have had two auditoriums, one for council meetings and one for exercise for staff or something like that. It would have been an excellent complex for regional government, pretty well in the hub of the peninsula, but $60,000 was too much for them. Now they want to spend about $3 million or $4 million. We talk about government restraint, but you don't see very much of it in regional government.

I think the chairman is getting the message now, but if they are spending that much for an edifice down there, it is just wasting the taxpayers' money. If you had a vote today in the region I think they would go back to the former counties; everyone would be happy. Because people today are not happy with the policing they are getting. They are not getting the services they had before and the cost is tremendous. I don't have to tell you about that. Now you have your kissing cousins in Ottawa, it would be a good time to go and ask them to share in the cost of policing these municipalities, because the regional police now do not even police local bylaws. What they are doing is carrying out the federal legislation and provincial legislation.

That's an area you should be tapping. You should be going to your colleagues in Ottawa to see if you can't get them to share in this particular area of police costs. I suggest to you what you have done is brought market value assessment in without any further dialogue with the municipalities and without the taxpayer having the right to appeal.

Mr. Deputy Chairman: Would the minister like to make a statement? If not, we will call upon the member for Brant-Oxford-Norfolk.

Mr. Nixon: Do you want to reply? Mr. Chairman, I am on another topic. The minister may feel he would like to reply.

Hon. Mr. Wells: Mr. Chairman, I understand the concerns my friend is raising and I hope many of the immediate concerns in regional Niagara, as in many of the other regions, and the apportionment in the counties which was causing concern with many people will be alleviated for next year by the statement I made on Friday. I believe they will be and I would ask him to get the regional people and the municipal people in his area to work them through or wait until our field staff come and explain to them how these proposals will apply in the region of Niagara. I think they will alleviate some of the problems.

I would like to talk a little more about regional Niagara, but I don't think I will do it right at the minute. We have looked at some of the things over there. I know there's a feeling regional government hasn't served the area well. I think that perception, while it is there is perhaps based on some of the feelings that all of us have because costs have gone up—but costs might have gone up anyway—that we are not getting the

services—but perhaps those services wouldn't have been there in any event.

[5:00]

I think regional government really has the potential in Niagara, given some changes of attitude and some encouragement on the part of the government—encouragement that I hope will come from the economic study that is now going on there—to help that area regain some of the industrial momentum it had, without interfering with the fruitlands.

I think the potential is there for good things in the Niagara Peninsula, and I think regional government can help cause all that to happen if the right things happen in the next little while. What we want to do is try to make all those things happen.

Mr. Nixon: Mr. Chairman, I wanted to bring to your attention, sir, and that of the minister, some of the continuing problems with our provincial program for disaster relief.

I see under this vote about half a million dollars is before the House for approval, and I understand, as well, this amount will be much larger than that because of the substantial payout that will be required following the government's commitment of paying $3 to the disaster area in Oxford, Brant and Norfolk—

Mr. G. I. Miller: And Haldimand.

Mr. Nixon: —and in Haldimand, for asssistance in repairing the damage caused by the tornado that went through there in August.

I wanted just to say a word or two about it because, as the member for the area and representing the people in the area, we feel that the provincial government responded very well indeed. Not only did a number of the ministers come up and view the damage, but we felt there was an expression of real concern and the results were reasonably good.

Not only is the public treasury going to respond by paying $3 for every $1 raised, but also there was a tremendous involvement of the police, the conservation authorities, some of the inmates at our correctional institutions and, of course, from many other government services.

The storm itself, of course, was an extremely destructive catastrophe, and many people, when they looked at the damage, said, "This is the sort of thing we would normally read about in Louisiana or some place like that, and normally we don't expect it to happen here." There have been people recounting the disasters in the past, and since it is just 25 years since Hurricane Hazel, we know that these things can happen here, and I wanted simply to put some objections that I felt in the past and still feel about the provincial government's response with regard to disaster relief.

My real objection is that it seems to be almost completely ad hoc, that while there is a program based on $1 from provincial funds for every $1 raised locally, in most cases this seemed to be completely inadequate and it is, therefore, seen somehow as the generosity of the government and the ministries concerned when the amount payable is greater than that.

The other thing is the inconsistencies associated with the payout. It doesn't seem long ago that we were discussing in this House the flood disaster in the Nipissing area, and in that instance the government decided to assist the local people to the extent of $4 for every $1 raised. There were also interest-free loans made available.

I don't want to appear ungrateful, because I think most people feel that the government, the provincial government at least, has tried to assist in every way it can. On the other hand, it shouldn't be a matter of being grateful to government. We can be grateful to private donors. The Ontario Milk Marketing Board has contributed $25,000. Other people, individuals and organizations, have done a great deal, not only in giving their time but in the money made available.

But it is very difficult for us to understand how the government arrives at a certain formula that is applicable in one part of the province and not applicable in another.

Once again, the dimensions of this disaster were such that I'm sure you'll be glad to know, Mr. Chairman, that close to $2.5 million have been raised from direct contributions from individuals and private organizations, that the government is already committed provincially to a payment of $3 for every $1 raised, so we're getting up there in excess of $7 million already. We're hoping that the fund will continue to expand so that the multiplying factor applied to the provincial formula, which is an ad hoc formula for this disaster, will see that the moneys available will continue to expand.

It's estimated that there was $60 million in damage, not counting the damage to public property such as hydro lines and municipal facilities. The $60 million to $70 million damage was to private property, to a great extent farm property, although a number of communities were very badly damaged.

The storm began up in the town of Woodstock and I felt that the member for Oxford (Mr. Parrott) was perhaps, in part, responsible for the strong response that came immediately from the cabinet. I, myself, phoned the morning of the storm. It happened to be cabinet day and I was able to get the then Chairman of Cabinet (Mr. Henderson), who I'm sure brought it to the attention of the cabinet ministers very early on.

The storm went through Oxford Centre, through the beautiful small rural communities of New Durham, Kelvin, Vanessa, Waterford, Hickson, and Bright; and there may be others that I should list but those are the ones with post office addresses. Anyone who has driven through the area was absolutely horrified at the extent of the damage.

We thank God there were only two lives lost, because it could have been a terrible disaster in terms of human life lost if the storm had hit when most people were in their beds rather than very much alert, indeed, and prepared to take the kind of action that in many instances saved their lives.

I want also to point out the inadequacies, in my view, of the federal disaster relief program. The minister might want to say something about this, but the formula is triggered only when the amount raised to assist in disaster relief amounts to an equivalent of $1 per person in the province concerned. In our province, with a population of close to nine million this means that there has to be an extremely large disaster with very large private relief available before the federal assistance triggers at all.

I remember very well the criticism that was directed at the former federal government by members of the ministry here that they felt the program was inadequate for the times, and we agreed then and we say so now. Frankly, I was a bit horrified to hear the representatives of the government of Canada more or less stonewall the questions and the strong suggestions made to them, even by their own supporters, that more immediate relief should be forthcoming and that they should not be in a position to stand pat and not provide any assistance until all of the figures were in and then they would see if their formula was triggered.

I believe we ought to move in the direction of having a clearly understood procedure for the designation of a disaster area. Then the help available from the government should not be on an ad hoc formula depending upon factors which are difficult to understand, allowing the government to contribute $1 for every $1 raised under certain circumstances, $4 in the case of Nipissing, and $3 in the case I am describing.

In my view there should be a rotating fund—a revolving fund, if you want to call it that—with the basic payment coming originally from perhaps Wintario resources. I understand there are already many arguments in cabinet over how those moneys should be spent, but here is a place, it seems to me, where a fund could be established and the interest or even the capital used for certain programs where they would be repaid.

In other words, there is a fund there to which municipalities designated disaster areas could call for aid to repair the kinds of damage which would be checked carefully by the officials of the ministry, particularly with the assistance of the Minister of Agriculture and Food, and the payments made on that basis.

I think residents of Ontario are used to seeing what happens in the United States; where a flood or a windstorm or some kind of disaster, usually brings about an almost immediate response from the governor of the state—and in certain circumstances a response from the President himself—of the designation of a disaster area, which means immediately that specific help by way of personnel and dollars is expected and forthcoming. It is not necessary to present special resolutions and special arguments, and then to be "grateful" for the assistance that comes through.

I don't want to be misunderstood. Certainly the people, who suffered the disaster, are in that sense grateful for the help that is available. But I certainly feel, now that at least some of the heat of the situation has been removed, that when we look at the experience there, and elsewhere over the past years, it is certainly time this House took steps to establish a more clearly understood program which is not based on ad hoc decisions.

I also want to bring to the minister's attention once again—I have already mentioned it—that it is difficult to understand why in some communities there will be a $4 or perhaps even $5 payment per $1 raised, and particularly why interest-free loans would be available to some people in the province who have suffered disastrous destruction of their property, while in other areas they would pay, say, six per cent or something like that.

I don't want to give the impression there is any great ferment in my area, that the people feel they haven't been properly dealt with, but I do feel the ad hoc approach is inadequate and that we should not be look-

ing at this thing as something that is a special favour handed out by the government in its wisdom and its humanity for some people, but not for others.

Hon. Mr. Wells: I would be happy to respond to some of my friend's suggestions and comments on this. I think we appreciated hearing from him very quickly and early about what the needs were, as I did from my colleague, the Minister of the Environment, and others after the disaster in Brant, Oxford, Haldimand and Norfolk, and the wreckage that was there following the tornado.

Perhaps I can preface my remarks by asking the member to recall the various disasters that occurred this year. It is interesting that this seems to have been a year of disasters, and that's why we are directing our attention—

Mr. Laughren: Especially federal.

Hon. Mr. Wells: No, I don't accept that at all; that's one very optimistic sign that this year has brought on the whole horizon.

Mr. Laughren: Joe Clark is going to lead us out of the wilderness.

Hon. Mr. Wells: He's certainly the only one that can do it.

Mr. Makarchuk: That's not a disaster; it's a calamity.

Mr. Laughren: Then we are in trouble.

Hon. Mr. Wells: Last year the amount spent in this whole vote was around $114,000. This year, while we show $500,000 in the estimates we are voting on today, I imagine that when we get to supplementary estimates, we'll have something running in the neighbourhood of $12 million to $15 million in the vote for disaster assistance this year. It may not be quite that high.

Mr. Nixon: That doesn't include the special crop insurance.

Hon. Mr. Wells: That has nothing to do with the special crop insurance, or any of the costs in the other ministries. I think we have to make it very clear that the program in this ministry is concerned only with that money we pay under the matching program to the various local groups who raise funds. In other words, the moneys for the disasters, necessitated for instance for policing and extra policing, will be in the Ontario Provincial Police budget, or any special money they might have given. There will be money that will have been paid from other ministries to repair the telephone system in that area, where we gave the special grant for Norfolk. That will be in another ministry. The crop insurance, of course, is also in another ministry. The money we are talking about here is the amount that is paid in the matching program—either the one-for-one, three-for-one or four-for-one.

[5:15]

All I'm saying is I think it's too early for me to say whether we should or should not have a more regularized program. The essence of a disaster relief program is being able to fit it to the disasters that occur and to be able to help as quickly as possible. When you look down the list of programs that qualified this year—Renfrew, Paris, Dover, Field, Goulais River, Iron Bridge, Walden, Onaping, West Carleton, Nepean, Nipissing, North Himsworth, White River, and Oxford-Brant-Haldimand-Norfolk—you see quite a spread in the degree of disaster.

Earlier in the year we were looking at certain flooding as a disaster. Certainly to those people involved it was a disaster. But in terms of the disaster that occurred in Oxford-Brant-Haldimand-Norfolk when the tornado struck, it probably wasn't on the rating scale in the same high degree.

Mr. Nixon: You gave four-to-one for the Nipissing flood.

Hon. Mr. Wells: All right. The essence of the program is to try and match the contributions to the disaster that's occurred, the type of disaster and the ability of the community to raise the money necessary. A total of $2.5 million has been raised for the fund in the tornado area. It was a national international story. It gained appeal and contributions from all across Canada. It was the kind of disaster where they were able to raise money that could then be matched by the government.

What I would like to see, based on the three-to-one ratio, with the $2.5 million we've got there—I'm told there will be adequate, if not excessive, money available to help in that disaster. Some of the areas, particularly the ones in northern Ontario where we paid four-to-one, certainly weren't of the calibre where it was easy for them to raise the money, and the chances of them raising a sizeable amount of money were pretty slim. In order to have enough money in the fund to do the kinds of things that needed to be done to help the people, four-to-one was necessary.

That is the kind of rationale. There's been no magical formula. We would just look at the situation, assess it and see how best we could help. Without having any set rule, we were able to have a degree of flexibility. I think perhaps that was a good way to operate.

The other situation that has to be considered is there was much more insurance available—people had more insurance on damaged property in the tornado area—than there were in many of the flood areas. Flood insurance is almost impossible to have and most people didn't have it, whereas many people in the tornado area had some degree of insurance.

As the member knows, people were already repairing their homes the day after, and certainly a few days later. When I was down there I was amazed and pleasantly surprised at the degree of repair that had already begun because insurance companies had come in and looked at things and said, "Go ahead, don't worry; you'll be covered for so much." The people, based on that, had immediately begun the cleanup process or had brought in mobile homes and so forth.

Mr. Epp: They brought their film crews and photographers with them too.

Hon. Mr. Wells: Who?

Mr. Epp: The insurance companies.

Hon. Mr. Wells: You're right. I think somebody is using that as a commercial these days.

When I quickly toured the area on a trip back from London to Toronto about three or four weeks ago I was very surprised to see how much progress had been made, even in that interval, in starting to rebuild and the reclaiming and the cleanup that had occurred.

That's what we're looking at. We're studying the whole program. I emphasize we don't want to take the flexibility out of the program. We want to be sure there is a degree of flexibility so we are able to help communities and the local committees based upon where they are, their kind of disaster and the probability of raising local money.

I don't know what my friend thinks, whether he believes the government should be the complete provider of this money, but I have to tell him I do not. I think this is a partnership deal and that we should be providing some portion of the money and that the rest of it should be raised locally in this particular area, be it from the municipalities themselves or from local contributions.

Mr. Nixon: There is one thing you didn't mention. What about the six per cent loans? Why are the loans interest-free in some areas and not in others?

Hon. Mr. Wells: This again was a product of our degree of flexibility. I think the interest-free business loans were in Field, were they not? When we looked at the kind of loans available for farms and for industry in the whole Oxford area of the tornado, the cabinet decision was that we have low-interest loans. I guess the whole loan situation was going to be a greater one in that particular area. It was brought to our attention at the time that most of the people in the area felt they shouldn't have available no-interest loans but they just wanted to be able to have the money available at a low interest rate, and that would be agreeable. Based upon that kind of information, we moved ahead and instituted the program.

Mr. Nixon: I wonder if the minister would say something about the federal program and how it's expected to apply?

Hon. Mr. Wells: Let me just say the interest-free loans, I'm told, were a Ministry of Industry and Tourism program in Field. That's right, yes.

Mr. Nixon: They are up there, but the six per cent loans are too.

Hon. Mr. Wells: Yes, that's what I was going to say. They're also a MIT program. They're a different program though. The program in Field was a very limited program and it was through an existing MIT program. The six percent loans in the member's area were arranged so the loans would be available through the bank, and as I understand it, it was a whole new program that was organized for not only industry but also for agriculture.

In so far as the federal government is concerned, I don't know what's going to happen. We wrote the federal government. We understand their program. If as a province we start spending on disaster relief an amount in excess of a dollar per capita in the province or, roughly, as you said, somewhere about 9 million, their program kicks in. How much do they pay?

Mr. Nixon: Dollar for dollar.

Hon. Mr. Wells: Dollar for dollar? Then they should start paying us money.

The problem that arises is we're still having discussions over what is eligible. For example, in Field, it's not the total amount we paid out. If certain things might have been insured, they're not eligible for any federal involvement.

Their program is a little loose, I think, at the present time in so far as how they're helping us, but I hope we can get it straightened out. There certainly was some misunderstanding early in the game in that we hadn't even asked the federal government for any money. I want to assure my friend we wrote the federal government towards the end

of August indicating we would be spending over the amount on disaster relief and we certainly qualified for federal assistance. They lost our letter for a period of time, but I think they found it again, and since that time meetings have been held. We're trying to work out the criteria and the involvement. We're certainly pushing for some federal involvement because they say they have a program and I believe this. We think we should get some contribution because, as I say, when the books are finally closed we'll have spent somewhere between $12 million to $15 million on this particular item this year in Ontario.

Mr. Nixon: I want to say about the overall program that I would hope when the Minister of Intergovernmental Affairs meets with his opposite number federally and with his colleagues from across Canada, he might have this matter put on an agenda at one of those meetings so that there can be an expression of views from the other provinces.

It seems to me there has to be a better correlation with the government of Canada to what we are doing here. The way it is described, particularly when one looks at the level of damage in the area I represent—and the minister indicated we might even end up with too much money—I have a feeling he is shaping up to saying it is not going to be three for one; it is going to be 1.75 for one.

With the situation we have here, if we finally trigger the federal government into giving us dollar for dollar, then we would be somewhere near to paying off the damage at a dollar for every dollar of damage, or maybe there might even be a surplus that could be applied elsewhere.

It seems to me the federal program was designed to keep the federal government out of these programs whenever possible. Even their response to this disaster, where the minister indicates it appears they lost the letter, is just unbelievable. I am here to criticize the program in the province as being ad hoc. Nobody understands what it is going to be until the disaster happens and then maybe it is going to be four for one or three for one.

There is no doubt the responsibility goes back to the previous administration, but the federal one is a disaster in itself. It is almost immoral that the federal program is established as it is. It is designed to keep them out of responsibility for programs and requirements such as this, when it should be designed to dovetail with provincial programs to assist the communities and not to provide some sort of excuse for them to walk by on the other side.

Hon. Mr. Wells: I accept that proposition put by my friend. As I say, certainly we are operating under a program which isn't a new program that has just come in; it is one which has been there in the days of the previous government. It may have been in there for 50 years; I don't know. Through the dollar-per-capita limit, my staff indicates it means we probably have gained nothing under the program in the last 15 years, even though in varying times we have paid out many hundreds of thousands of dollars in disaster relief.

Mr. Nixon: Tell them we are thoroughly dissatisfied.

Hon. Mr. Wells: I would be happy to put it on the agenda for discussion with my fellow ministers and the federal government to see if we can't get a better disaster relief program of assistance from the federal government. We would certainly be in favour of that.

Mr. R. F. Johnston: I have two areas of concern I would like to raise with the minister, both affecting Metropolitan Toronto. One is the matter of the Toronto Island homes and the other is the police commission. I would like to deal with them separately and handle questions on each.

Our party remains committed to maintaining the island community. I would like to emphasize the word "community," not just the particular houses of individuals. We had great hopes that you and your ministry might be able to effect a useful compromise and come up with some solutions appropriate for the island residents and the community on the island.

I do have concern that what is seen to be a compromise is, in fact, just a very easy way of bringing about the destruction of the community while maintaining individual homes for a brief period of time. As you know from the meeting yesterday and the reports in the papers, the island residents are not happy with this concept of destruction by attrition, and we are concerned about it.

The member for St. Andrew-St. Patrick (Mr. Grossman) has a number of quotes I would like to raise with you in terms of his understanding of the need for the community to be preserved and not just the individual houses. There are a number of his quotes from the November 16, 1978, Hansard. He said: "All the people of Toronto benefit by the presence of the Toronto Island community . . . Those houses"—in this case he is referring to houses of recent ownership, not just long-time ownership—"should have the right to remain on the Toronto Island . . .

This is the type of place we should be trying to keep."

These are all taken from Mr. Grossman's statements. I must say in your statements to this time you have not spoken of the community as much; you have spoken more in terms of the individual residents. Therefore, I can't throw any of those back at you.

[5:30]

I also would like to say that one of the major arguments used in terms of the need to get rid of the houses is the need for park space. I think there is a real misunderstanding of how that space is used by the population if it is seen as an either/or situation—either we have houses and the residential community or we have park.

As someone who uses the Toronto Island a great deal, I go to Wards Island and consider that to be part of the park. I am welcomed by residents on their streets as being part of the park, unlike the yacht club in the same area, which I must say takes up more land and more space and is not accessible to all members of Metro. Only people with money can become members and use that area.

I would like to ask the minister several questions. I want to know if what we hear in the press is true. Will he be announcing officially on Thursday a plan and tabling it with us, or have there been some changes in that?

I also would like to ask the minister what happened to his consideration of the other option that he said he might explore, which was the idea of the island returning under the jurisdiction of the city. I wonder if he could detail for us a little bit the process he went through, the various alternatives of compromise within that format that he looked at. I realize there were problems raised by Metro in terms of the assumption of the debt of their development in the island. I wonder how he looked at that.

Was there ever any consideration by your ministry in terms of trying to come up with a long-term solution to preserve the community? You might look into picking up part of that.

I wonder if you could tell us in terms of the deterioration of the houses, which I think will be promoted by this particular ad hoc approach of maintaining individual houses, if you looked into options of maintaining those homes. At the moment, as you know, residents are complaining that they are not able to take lumber across to do minor repairs and houses are already following into a bit of disrepair.

Homes are being closed, people are moving and homes are being torn down. That leaves very little incentive for people to maintain their homes and put anything of value into them.

The uncertainty that has been plaguing this issue that the minister spoke of in his release on December 14 I don't think is overcome by his solution at this point. People will continue to be uncertain as to how long they will be able to last. If 15 homes go or 20 homes go, will there be a lot of pressure then to reverse this decision and to speed up the process of getting through the others? At what point will the community not be allowed to remain? How can people maintain their homes in any kind of living standard?

There is the problem of sewage treatment, et cetera, and I would appreciate learning if the minister has had any conversations with the city in terms of their willingness to take that over.

The idea that the city needs more park space is one as a Metro politician I would not argue with. I would again reiterate the fact that I already consider that space to be park space.

But I think there is an interesting comparison to be made at this point with the land on this side of the water at Harbourfront, which I understand your federal counterparts may not be interested in maintaining—or in maintaining as high an involvement as in the last couple of years. Thank goodness somebody uses that park space. I am very impressed by the changes that have taken place in the last two and a half years and would hope that the minister might comment in terms of Harbourfront, an area which I think should have a little more emphasis in redevelopment as compared with the island, because in point of fact the island is already usable.

It's still a hotchpotch of planning at Harbourfront as the minister knows and I am wondering if he will be pressing his federal counterparts to maintain the development of that land at an accelerated rate, and if there is any prospect of the provincial government bringing in money to that area, if the federal people decide not to push Harbourfront to the same degree as it is being advanced now.

I would like to reserve my questions on the police commission until afterwards so that I don't confuse the two issues.

Hon. Mr. Wells: I am not sure, Mr. Chairman, whether I got all those questions down. I don't have them before me, but I will try to deal with as many as I can recall.

Those I haven't recalled I am sure the honourable member will ask again afterwards.

Will I have an announcement on Thursday about the island? If the drafting of the legislation we are working on is ready and finished, yes, we likely will have the announcement which I guess at this point is merely standing up in this House and bringing in the bill that would implement what we have been talking about.

The need for an announcement becomes rather superfluous because the ideas we have had for the island have already been widely disseminated over the past few days.

Let me first deal with what's happened before I talk about the idea of the island returning to the city. There's no question there has been a degree of uncertainty—there has been uncertainty concerning the island residences for quite a long time.

Metro council made a decision in 1956 that while the Toronto Island belongs to Toronto, for a variety of reasons—some of them I think connected with flooding problems—Metro should have responsibility for it and ultimately it would become a part of Metropolitan Toronto. That decision wasn't universally agreed to 100 per cent unanimously. But legislation was enacted here in the Municipality of Metropolitan Toronto Act to allow that to happen and Metro took over the island and began its program of creating a Metro park.

I think they have done a good job. I enjoy the park over there as I am sure all the residents of Metro do. I am a person who has gone to the island for years. I was born and brought up in this area. I remember when there was a small-town Ontario main street on the islands. You could even buy a draft beer in those days on the verandah and you could go to a show over there and so forth. It was decided that wasn't the character that was to be maintained and it was to become a park. We now have a park over there and you can buy a draft beer in a German beer garden watching the ferries come in, and you can take your kids on rides and you can look at a lot of people enjoying the wide open spaces.

Believe it or not, I used to go fishing over there. I remember fishing—

Mr. T. P. Reid: I thought you went for the draft beer.

Hon. Mr. Wells: I didn't say that I drank the draft beer now, Pat. I just said that you could buy one over there. I can't remember whether I was of legal age then.

Mr. Philip: The draft beer would do you a lot less harm than eating the fish.

Mr. T. P. Reid: You couldn't have been of legal age or you wouldn't have been fishing.

Hon. Mr. Wells: I am sure I was of legal age. Anyway, the character of the island was changed and Metro began their program to create the park. That has been completed except for the Wards and Algonquin islands part and that of course is where the controversy of four or five years has been. The controversy has been carried all the way to the courts, culminating in decisions last fall that said Metro had the right to evict those people. The battles were over. The residents said they weren't going to appeal to any further court and Metro had been given the power to evict those people.

That was where the situation stood about last November. Then we came along in December and brought in our statement, which has been criticized by some. I think it was right. We suggested that we try to act as a mediator in this dispute. If Metro would agree not to enforce those orders, we would try to see if there wasn't some way to bring people together to preserve the residences that were presently on the island. That really was the essence of what we were getting at —to preserve the residences that were on the island.

In fairness to Metro, they did agree to our compromise. I don't think they ever had any meeting of the Metro council to agree to it but certainly no one objected. Metro has not, to this day, enforced those orders on the island. This was based on the fact that this Legislature, as a government, said something should be done and we would try to come up with a compromise.

So nothing has happened. Orders which legally were obtained through long fights in the court were not enforced. In fact those orders stand to expire some time very shortly because they haven't been enforced.

In the interval, we have tried to find what could be a compromise solution, something that would make the 100-per-cent-park proponents happy and something that would make the people on the island, if not 100 per cent happy, at least guarantee they weren't going to be disturbed as long as they wanted to live on the island. If you accept that as the hypothesis for a compromise, I think what we have done is not bad.

Mr. Warner: No one is happy.

Hon. Mr. Wells: That is the essence of a good compromise: no one is happy. No one is happy, but no one can be grossly unhappy

because if you accept what we have done, the residents, the people at the island, who all say, "Look, I want to stay in my home over here; I like living here," can stay there. They can stay there as long as they want—

Mr. Warner: Delayed destruction.

Hon. Mr. Wells: —and the city of Toronto will become the landlord, the guy who holds the lease, rather than Metro, which would make the people on the islands happy. So that is the first point.

The people who believe—and Metro council still believes—that the island should become a park, those people know that ultimately, it may be 50 or 75 years from now, but ultimately Metro will have a Metro park on the islands.

I saw that somebody in city council said, "That is analogous to blockbusting. That is what they do when they want to have blockbusting." Perhaps it is, perhaps it isn't, but it is certainly analogous to what we have done at Wasaga Beach and what we have got in Algonquin Park and other areas.

I have toured Wasaga Beach, and I have seen where rows of cottages have been levelled because it eventually will become a park, and other people are still living there. There are people I know who have been there for 35 years and they are still there, and they may be there for another 20 years; but all it means is they have got a little more free green space all around them.

I feel my job in effecting a compromise, and the job of this government, is not to change what should be a basic policy decided at the local level, the basic policy being that the island was to become a park eventually. If Metro council would meet tomorrow and decide to change that policy, we would change the legislation and bring in a bill just as quickly as they request. In other words, Metro council really are the ones who have the jurisdiction for the island.

The idea of changing or switching the island back to the city of Toronto in their totality, which was suggested, was not an acceptable proposition to most people that I talked to. In talking to them, they felt that perhaps in the switching of the islands from the jurisdiction of Metro to the city of Toronto, somehow the emphasis was changing from the park back to the residential, and we wouldn't be able to build in the guarantees that the park would remain. I wouldn't want the people in Metropolitan Toronto, who really fervently believe in the island park, to think we were doing anything that would suggest that park was eventually going to be built over again by homes, because I don't think the majority of people in Metro want a total residential community on the island.

I don't dispute that there is a sizeable minority of people in Metro, I think, who really don't see anything wrong with a residential community on the island, and certainly that position has been put to me.

Hence, we are at the position we are at. We have come up with a solution. The suggestion is that the city take over servicing. I have talked to some of the people there. They say they would be willing to look at servicing. I think the city would look at sewers, if they are needed over there. I think that the services could be provided by Toronto and that the present residents of the island would find a very agreeable living environment could be created over there.

The only thing that wouldn't be there which they want is the guarantee of a permanent residential community forever, however long ever is, for them. That we don't have in our compromise because that, in itself, suggests the idea of the whole works becoming a park has been rejected, and at this point in time that hasn't been rejected.

If Metro council would agree that a residential community on part of the island is acceptable, then I think we would have no problem; but it has been indicated to me that Metro council probably wouldn't agree to a permanent residential community being there. If they would agree to that, we could transfer, by legislation, Wards and Algonquin islands over to the city of Toronto. Let them look after it, pay for the services, and so forth; and Metro run the rest of the park. This is probably a solution that, as I say, a number of people would see as a viable one.

That's the background to the situation. I don't know whether I have answered all your questions. If you'd like to propose any others, I'd be happy to answer them.

[5:45]

Mr. R. F. Johnston: Mr. Chairman, there was one matter that the minister did leave out. You left me disappointed, but fully reported, except for the matter of Harbourfront and your position on that. Perhaps you could tag your answer on to the end of the next point, which is to do with the police commission for Metro.

Hon. Mr. Wells: I can give you the answer quickly on Harbourfront. We don't intend to spend any provincial money on Harbourfront. What the federal government intends to do I don't know, but I intend to have some discussions with it and find out.

Personally, I think Harbourfront is a great benefit to this city and I hope we are able

to keep it there and see it expanded, but we really don't have any provincial money available for it.

Mr. R. F. Johnston: Thank you.

The matter of the Metro police commission, unlike the matter of the islands, is not a matter of controversy between two local levels of government, Metro and the city. In point of fact, Metro council and the city of Toronto council have joined other groups in requesting the changeover of that commission's composition in terms of reflecting the authority of Metro council to be in charge of its policing, rather than the provincial bias which is shown now in a number of appointees to that commission.

I have a series of questions I would like to ask you. Have you had discussions with Metro government officials or with the city of Toronto recently, or with the Attorney General, about the prospects of bringing in any number of things; one of which would be your white paper's recommendation of three Metro representatives and two provincial, or the Robarts commission's recommendation, which, as you know, was to turn the power of policing over to Metro government and allow it to make the decisions?

In so doing, because I presume you have had those discussions, have you considered such things as adding representation for minorities in one form or another or the concept of having elected officials from the Metro level represented on the commission? I would be interested to know if you have had those discussions and if we can expect in this session an introduction of a bill which might change the composition of the commission to reflect the desires of all local levels of government in terms of having Metro have control of it.

Hon. Mr. Wells: I've had informal discussions from time to time about police commissions generally and about the Metro Toronto police commission with my colleague, the Attorney General and Solicitor General.

Let me say I understand the points of view put forward from time to time by municipalities, for instance, the Robarts report, which suggested turning policing over to Metropolitan Toronto. I must say most of their concerns are in the financing area of the police commissions. I think municipalities generally have felt they wanted a tighter control on the budgets and operation of police commissions and that was the overriding reason they felt they should have greater control.

I have to say that basically I don't think the change in appointment, that is, three Metro and two provincial appointees instead of two Metro and three provincial, would have any significant difference in the operation of the police commission. By and large, the police commissions do an excellent job in this province. Appointment of the people by the province or by a local government or a Metro government wouldn't significantly change the operation or character of the police commission.

I do not have any plans under way to suggest amendments to the Metropolitan Toronto Act to change the composition of the Metropolitan Toronto police commission, except perhaps in the area of term of office. If my memory serves me right, I don't believe there's any term of office set down and the appointments could be open. Several of the recent appointments have not been open but have had terms set in the order in council. Perhaps we could somehow spell out the terms in the legislation.

The Metro police commission does have on it two elected representatives of the area.

It has on it two judges appointed by the province and one citizen at large appointed by the province.

In answer to your question as to whether I have any plans to bring in amendments at this session of the Legislature, the answer is no.

Mr. R. F. Johnston: Besides the financial accountability, where I do believe they have a point, in that only 17 per cent of the money comes from the province and the rest from the municipality, there is the matter of discrimination in terms of something which was published and a reprimand which was sent by Metro council to the commission which fell on deaf ears in terms of Metro council's point of view. They feel that in terms of policy they would also like to have some sort of say in the commission's actions. I think that kind of accountability is very important.

Is it appropriate now to move the adjournment or am I early?

Mr. Chairman: It's up to the House leader to make that motion.

Mr. Haggerty: It's almost six o'clock and I might be a little bit longer than one minute. I wanted to follow up on the comments of the member for Brant-Oxford-Norfolk. It would be kind of late for me to start.

Mr. Chairman: Do you feel it will take more than a minute and a half?

Mr. Haggerty: Yes.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House adjourned at 6:01 p.m.

CONTENTS

Monday, October 15, 1979

Child abuse registry, statement by Mr. Norton 3457

Acid rain, statement by Mr. Parrott 3459

Environment Week, statement by Mr. Parrott 3460

Petro-Canada, questions of Mr. Davis: Mr. S. Smith, Mr. Cassidy 3460

Acid rain, questions of Mr. Parrott: Mr. S. Smith 3462

Gas and oil supplies, questions of Mr. Welch: Mr. Cassidy, Mr. J. Reed, Ms. Gigantes 3463

Point of privilege re question on gas and oil supplies, Mr. Cassidy 3465

Auto industry layoffs, questions of Mr. Elgie: Mr. Cassidy, Mr. B. Newman, Mr. Cooke 3465

Grants to municipalities, questions of Mr. Wells: Mr. Epp, Mr. Isaacs 3466

Algoma Children's Aid Society, questions of Mr. Norton: Mr. McClellan 3467

Pinball parlours, question of Mr. Wells: Mr. Peterson 3467

Fruitland preservation, questions of Mr. Bennett: Mr. Swart 3468

Shop Canadian program, question of Mr. Grossman: Mr. Cunningham 3468

Workmen's compensation, questions of Mr. Elgie: Mr. Lupusella, Mr. Mancini 3469

Canadian Bridge layoffs, questions of Mr. Grossman: Mr. B. Newman 3469

Education funding, questions of Miss Stephenson: Mr. Cooke 3470

Disaster relief assistance, questions of Mr. Davis: Mr. Nixon 3470

French language education, question of Miss Stephenson: Ms. Gigantes 3470

Jailing of motorist, question of Mr. McMurtry: Mr. Eakins 3471

CAS funding, questions of Mr. Norton: Mr. McClellan 3471

Motion re private members' ballot, Mr. Wells, agreed to 3472

On point of order re rules of the House: Mr. Martel, Mr. Nixon, Mr. Renwick, Mr. Wells 3473

Estimates, Ministry of Intergovernmental Affairs, Mr. Wells, continued 3477

Adjournment 3497

SPEAKERS IN THIS ISSUE

Bennett, Hon. C.; Minister of Housing (Ottawa South PC)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davis, Hon. W. G.; Premier (Brampton PC)
Eakins, J. (Victoria-Haliburton L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Edighoffer, H.; Chairman (Perth L)
Epp, H. (Waterloo North L)
Gigantes, E. (Carleton East NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Havrot, E. (Timiskaming PC)
Isaacs, C. (Wentworth NDP)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Lupusella, A. (Dovercourt NDP)
MacBeth, J. P.; Deputy Chairman (Humber PC)
MacDonald, D. C. (York South NDP)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, G. I. (Haldimand-Norfolk L)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Philip, E. (Etobicoke NDP)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)



No. 83

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, October 16, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.



LEGISLATURE OF ONTARIO

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

AGRICULTURAL INSURANCE

Hon. Mr. Drea: I have for introduction an Act to amend the Corporations Act, the provisions of which will substantially strengthen the premium note farm mutuals in Ontario and provide expanded insurance services to the farming community. The amendment is in response to the growth and changing nature of farming and the needs of rural Ontario society.

These mutual fire insurance corporations, which have traditionally insured farms against fire and associated risks, have been doing business in Ontario since the mid-1800s. Until 1954 the corporations could write only fire and lightning insurance on agricultural land and related stock. Gradually this has been expanded to include windstorm, theft and liability insurance.

All of these coverages, however, are written as endorsements to basic fire insurance coverage on agricultural or rural property. The corporations have not been empowered to undertake classes of insurance open to joint stock insurance companies and cash mutuals under the Insurance Act.

The advent of more expensive and sophisticated farming techniques such as the corporate and part-time farmer has created some uncertainty as to whether mutual fire insurance corporations are empowered to cover certain risks. At the same time, these corporations may be the only insurers willing to provide a full range of insurance protection in certain rural areas of the province.

Historically, the assessable premium note has been basic to the operation of these corporations as a protection for policyholders and claimants.

Twenty years ago, however, the Ontario Mutual Insurance Association, which represents the 52 mutual fire insurance corporations in the province, set up the Farm Mutual Reinsurance Plan. The plan not only has provided stability to the industry but the strong financial base has allowed the expansion of additional coverages in keeping with modern requirements.

In addition, the Insurance Act was amended in 1975 to establish the fire mutuals' guarantee fund, which guarantees the ability of insurers to meet obligations.

The industry has demonstrated its financial stability and responsibility towards those whom it insures. It has asked my ministry to remove these restrictions which preclude further growth and provision of service. Accordingly, this amendment removes restrictions on mutual insurance corporations and the farm mutual reinsurance plan and empowers these corporations to undertake and transact any class of insurance for which a joint stock insurance company may be licensed under the Insurance Act.

I ask your support in the passage of this amendment which will provide positive and direct benefit to the rural community in Ontario.

TAX APPEALS

Hon. Mr. Maeck: Mr. Speaker, this government places the highest priority on the delivery of the best possible service to the people of Ontario, and we are continually looking for ways to improve customer services.

Mr. Peterson: Five-dollar licence plates.

Hon. Mr. Maeck: That's one good way.

In line with this policy and its application within the Ministry of Revenue, today I am most pleased to inform the honourable members of new measures taken by Revenue to assist taxpayers in their dealings with my ministry.

On Monday, May 7, a new revenue tax appeals service opened at 1200 Bay Street. On Friday afternoon, October 12, the Premier (Mr. Davis) took part in the official opening of the new office. This is a further indication of the Premier's personal commitment to his government's heightened service to the public.

The tax appeals office has been created to deal with all appeals and hearings related to our tax statutes. Together with day-to-day administrative duties required by the tax collection process, appeal activities were

previously the responsibility of the individual tax branches.

During fiscal year 1977-78, my ministry received less than 1,300 appeals, which is by no means a large number when compared to the considerable number of taxpayers, corporations and businesses on our tax rolls, as well as the number of tax transactions involved.

We are proud of our record and we are convinced that the consolidation of the appeals function in one separate office can only serve to increase the level of efficiency of my ministry's service to the taxpaying public. I would emphasize that my ministry deliberately located tax appeals out of head office and away from the administration of taxation specifically in order to provide an added measure of impartiality and independence.

In addition, we will be in an excellent position to ensure consistency in our handling of appeals across all of the taxes we administer. As a result, taxpayers will have greater confidence that they are receiving fair and equitable hearings. Revenue tax appeals will handle all appeals related to the tax statutes administered by my ministry except appeals filed under the Succession Duty Act, the Gift Tax Act and the Land Speculation Act. These will remain the responsibility of the succession duty and land taxes branch because these taxes have been repealed and we are currently winding down related operations.

Our major intent is to streamline rather than change tax appeals. Alterations with existing procedures will be made with this purpose in mind. We will endeavour to keep taxpayers informed as the streamlining process continues. Although tax appeals will be separated from line tax operations, information available to appeals officers will be increased and improved.

Improvement in the appeals process will also be important to my ministry in our ongoing efforts to clarify tax legislation and make our operations more efficient. As well, this amalgamation will make it possible for us to issue comprehensive explanatory material on appeals procedures and to better inform taxpayers of new rulings and decisions.

I know members will agree that the payment of taxes will never be an activity in which any of us will indulge by choice; but certainly I consider it an important responsibility of the Ministry of Revenue to make the process as convenient and understandable as possible. I am sure that amalgamation of the appeals function under revenue tax appeals will provide the taxpayer with easier and more direct access and will make a significant contribution to the efficiency of my ministry's dealings with the public.

Finally, it is important to emphasize that the benefits of the new appeals service will not be confined to Metropolitan Toronto only. Our appeals officers will continue to travel regularly to other parts of the province to deal with appeals where it is not convenient for taxpayers and their representatives to come to Toronto. Indeed, we believe that the establishment of the new office will allow us to readily improve such regional services, using our existing 13 district tax offices.

VISITOR

Mr. Speaker: Before we proceed to oral questions, I would like to draw to the attention of all honourable members of the House the presence under the Speaker's gallery of the Honourable Harold Fanjoy, Minister of Supply and Services for the province of New Brunswick. Will you please welcome him?

ORAL QUESTIONS

HYDRO ADVERTISING

Mr. S. Smith: I have a question for the Minister of Energy. Will the minister explain to this House why the consumers of power in Ontario should have to pay an extra $1 million or so for their power to support the placing of ads, such as this roller coaster ad or the television commercials, the yo-yos and roller coaster commercials on the—

Mr. Hennessy: You're a yo-yo all right.

Mr. Breithaupt: You've got a problem with your string, though, that's the difficulty.

Mr. S. Smith: Amazing, you know; I just mention the word yo-yos, and immediately there is a chord struck across the way.

Mr. Speaker: Is there a question in there some place?

Mr. S. Smith: I was trying to get to one, but they were so excited about the notion of things going up and down.

Would the minister please explain why it is that the users of electricity in Ontario should have to pay an extra $1 million, when Hydro's mandate is to produce electricity at cost, simply so that the public may be regaled on the television and in the newspapers by stories trying to explain Hydro's rather poor planning, and trying to put the best possible face on the excess generating capacity? What possible use is that to the users of electricity? Why should we all be paying more for what is basically propaganda?

Hon. Mr. Welch: Mr. Speaker, the honourable Leader of the Opposition had

directed this particular question to my predecessor by letter some several weeks ago. As he knows now—he's had a reply, both from my predecessor and I understand from the chairman of Hydro, so that a lot of this information was shared with him—without commenting on the dollars and cents implications of the particular public relations program to which he makes reference, I think it was quite clearly set out that when one considers the implications of making these particular forecasts with respect to power needs, they do in fact reflect on what the consumer will ultimately pay. I think that in view of all the confusion that is generated by conflicting points of view as to what particular process be used in order to arrive at these forecasts, the public of this province are entitled to know and entitled to have the information, which these public relations advertisements share.

I think it's a very responsible thing for Hydro to do to share this information with the people of the province.

Mr. S. Smith: By way of supplementary: Would the minister not agree with me that the public are entitled not only to know the extent to which Hydro has overbuilt the system, but also they are entitled, unfortunately, to have to pay for the degree to which the system has been overbuilt? Can the minister please explain to me why it makes sense to him that the public should further pay to have the opportunity to see these advertisements trying to defend the poor planning? How does the public conceivably benefit from a program of advertising simply attempting to justify the poor planning of Hydro?

Hon. Mr. Welch: Mr. Speaker, I think it's important to clarify that what Hydro is doing isn't attempting to defend anything but rather to share the process, and to make sure that the public have the information they are entitled to have. Indeed, I think it goes without saying that we are very fortunate in this province to be in our present position with respect to the supply of hydroelectric power.

Mr. MacDonald: Since the minister's own energy policy, as enunciated on October 1, is that we should have conservation and the development of renewable resources, what justification is there for the consumers' money being spent for advertising to justify continuous building of a system which already has excess generating capacity?

[2:15]

Hon. Mr. Welch: If the member for York South is making reference to the question of the Leader of the Opposition, that program is directed to explaining to the people of the province the process by which load forecasts are undertaken.

Mr. S. Smith: A supplementary then: Since the minister clearly does not have a rationale for these ads, will he see to it that these ads are immediately stopped and not resumed; and would he explain why he hasn't taken such action in the past?

Hon. Mr. Welch: The simple answer is no. I am satisfied it is in the interests of the electricity customers of this province to have this information.

Mr. Makarchuk: Would the minister care to inquire as to which ad agencies were invited to bid on the program by Hydro, and on what basis was the final selection made for the ad agency that is currently being used by Hydro?

Mr. Peterson: And how much are they making?

Mr. Makarchuk: And how much is the total cost of the advertising?

Hon. Mr. Welch: If the honourable member would place this question on the Order Paper, this information will be along in the usual way.

Mr. Makarchuk: The minister wants two weeks to dream up an answer.

Mr. Peterson: In view of the words the honourable minister has expressed about sharing all of the relevant information from Hydro, would he be prepared to share with them the results of a recent poll on Hydro matters, I understand commissioned by Gallup, with the people of this province?

Hon. Mr. Welch: I wonder if I could have some clarification of the question. What poll is the honourable member making reference to?

Mr. Peterson: In response to the minister, just so I include everything, any he has in the last year on Hydro matters, commissioned either by Hydro or the Ministry of Energy; but I refer more specifically to one I understand was taken about two to three months ago. Will he share that with the people of this House, with his new forthcoming and generous attitude that he has demonstrated here today?

Hon. Mr. Welch: I don't have any firsthand information in connection with such a poll, so I can't really respond to the question.

Interjections.

Mr. S. Smith: Mr. Speaker, I have a feeling this will be the first minister who actually mugs himself in the corridors of power.

ACID RAIN

Mr. S. Smith: I have a question for the Minister of the Environment. Despite his wrigglings about having referred only to what was going up and not what was coming down with regard to acid rain, and now that it must be clear even to him that he spoke of acid rain which is sort of downward moving, is he now prepared to take proper action with regard to the sources of pollution within Ontario?

I ask specifically, for instance, what action he intends to take with regard to Inco and to all the other polluters. Inco is not the only one. Given that he now realizes Ontario itself is a source of a good deal of Ontario's problems, far more than he previously thought, is he prepared now to take strong action in Ontario? Precisely what will that be in the case of Inco?

Hon. Mr. Parrott: I have to say first of all, as I did yesterday, this is indeed a complex issue. Quite frankly, any of the statements that were made yesterday relative to the report were not in disagreement.

I am still very persuaded that one must not take one statement in isolation and draw conclusions from it. I think practically every authority on that subject will caution exactly the same way as that. I am afraid we have been indulging a bit in comparing apples and oranges.

So let me first of all, as I reply to that question, try to address the ratios that have been bandied about in the last 24 hours. There have been two or three of them. There was the 50:50 ratio, the 80:20 ratio, and indeed a 13:1 ratio put forward in the committee.

The ratio of 50:50, from a study released yesterday, referred to the fact that as much total sulphur comes north across the border as is emitted in eastern Canada. It is wrong to infer from this that the acid rain problem is also a 50:50 split. I tell you, Mr. Speaker, that is not my comment, but indeed a summation of the scientists who have worked on this.

My comment on that is the study refers to sulphur emissions only. We don't argue the 50:50 split as it relates to sulphur, but we strongly believe you must also include nitrous oxide emissions as well. That leads us to some other very interesting ratios, and indeed that's what we were talking about. The 80:20 ratio was in the Muskoka study. It stated very clearly "that 80 per cent of the acidity in our rainfall"—and as the member says "of the stuff that comes down"—80 per cent of that "came from outside Ontario borders". As a matter of fact, no scientist is disagreeing with that ratio.

Let me give you additional information from the report that was quoted at some length yesterday. Following page four it states: Canadian/United States emissions: sulphur dioxide (metric tonnes) 25.7 US:5.0 Canadian; nitrous oxide—and this is the startling one—22 US:2 Canadian. To be more precise it says 22.2:1.9. If you add those figures you will find the ratio is about 47:7, or nearly 7:1 US versus Canada.

We've said in Ontario it's 13:1 using those figures. All I'm trying to do, Mr. Speaker, is set to rest as best I can—

Mr. Martel: Snow jobs.

Hon. Mr. Parrott: —the various figures, the various ratios about which none of us are in disagreement. Nor did I take exception to any of the ratios yesterday. Independently, they are all correct, but they must, in my mind, be dealt with collectively. No erroneous conclusions should be drawn from one.

To come to the latter part of the question asked by the honourable leader of the Liberal Party, it really dealt with the issue of who is to blame. As I have said on many occasions, I believe we all are.

I would like to read into this record a letter that was printed in the Globe and Mail.

Mr. M. N. Davison: Is this a statement?

Hon. Mr. Parrott: No, it's not a statement. It happens to be a fairly long answer, to a pretty important question, to people of Ontario; I'd like to get the facts on the record.

Mr. McClellan: Table it.

Mr. Warner: Table your resignation while you're at it.

Hon. Mr. Parrott: Mr. Speaker, may I read the letter as the final part of the answer to the leader of the Liberal Party?

It's a letter from myself to the editor, which was printed, and it reads as follows:

"It shoud be noted that while Ontario has stated that the majority of acidic precipitation occurring in the Haliburton-Muskoka area has its source in the south, it has never stated that sources in Ontario are not contributing to the total problem.

"The question to be answered is: To what extent and where are Ontario sources having an effect? Ontario is prepared to take action in conjunction with the rest of Canada and the individual US states who have the enforcement responsibility.

"In summary, Ontario's existing control program has resulted in significant air quality improvements. Ontario is willing to do its

part, as we have always been, in this international environmental matter."

I think that very clearly says we are prepared to take our full responsibility in concert with the US and our Canadian counterparts.

Mr. S. Smith: Supplementary, Mr. Speaker: I must say what I am really trying to find out from the minister is the extent to which he is now going to take some strong action with regard to Inco. May I ask him, by way of elucidating the attitude of the government toward Inco, why it was that the deadline on the control order on their iron ore recovery plant—to July 31, 1979—was extended to March 31, 1980, allegedly because of the strike which happened at Inco, when in point of fact his officials never even bothered to ask the union whether they could have carried on with that work during the strike, permission which I suspect, and which the union says, would have been granted?

Why doesn't the minister get serious with Inco?

Mr. Laughren: The union doesn't say that.

Hon. Mr. Parrott: I am prepared to get as serious with the issue as it is possible to do. I also ask the leader of the Liberal Party to get serious about that kind of question. The fact of the matter is, what we were asking to be done in that control order was a study of stack emissions. That means when the plant is in operation. Will the member explain to me how in the world, when the plant is shut down, one could do a study? I submit to the member that is impossible.

Mr. S. Smith: The necessary equipment could have been installed.

Hon. Mr. Parrott: That's what the leader is saying we didn't even ask the company to do. It was totally physically impossible to do that study at the time the plant was closed down. I am sure the member would agree. Therefore, there was no alternative but to extend the deadline. That should be as reasonable and as rational as anything could possibly be.

Mr. S. Smith: The equipment could have been installed.

Mr. Laughren: Supplementary, to the Minister of the Environment: When is the minister going to put aside the red herrings and issue a new, specific control order on Inco regarding its emissions from the superstack, particularly in view of the fact that this document from Inco itself in 1975 indicated that within four years it could be down to 1,500 tons a day—

Mr. J. A. Taylor: Are you going to table that report?

Mr. Laughren: —at a cost of under $300 million? If there is any escalation since then, and the minister uses the figure of $2 billion, surely it has been caused largely by the delays in the minister's refusal to enforce the control order in the first place.

When will the minister issue a new, firm control order requiring Inco to get down to at least 1,500 tons in four years, which this document says it technically can do; and then get down further to 750 tons, as outlined in the original control order?

Hon. Mr. Parrott: Mr. Speaker, I am prepared to answer that question at great length. But having discussed that report, also at great length, during the committee hearings of last year, I would refer the honourable member to the very same question that he asked and that was answered at great length during that committee debate. I think it would be unwise to go through it again.

Mr. Swart: A short answer.

Mr. Warner: Trying to duck the issue.

Hon. Mr. Parrott: Let me again state Ontario's position in this matter. As we have said so many times, it is absolutely essential that on both sides of the border we attack the problem simultaneously.

An hon. member: You are waiting for them.

Mr. Laughren: Exactly.

Mr. Warner: You have to ask the Americans when you can do something.

Hon. Mr. Parrott: It is absolutely essential. It would be foolhardy, in my mind, for any jurisdiction to single out any specific industry and say, "You alone, in isolation, must change the problem." The truth of the matter is that approach won't work.

As a matter of fact, I take some pride in the fact that I have, I think, on various occasions raised this issue to national prominence. I don't think there's any doubt about that.

Mr. Warner: Baloney. You've got the leadership of a turtle with its shell on backwards.

Hon. Mr. Parrott: That being the case, as I stated in the Globe and Mail article, I will do, inch for inch, everything any other jurisdiction will do, or that any other company must do. I tell you today, and I put it firmly on the record, we will be as strident with our industries as any other jurisdiction will be with their industries. I don't think anybody can ask for more.

Mr. Sargent: Mr. Speaker, I have a supplementary to the minister.

In view of the mounting concern in this area, why doesn't the minister prevail upon our Prime Minister to call a crash conference of all the governors of the adjacent Great Lakes states to bring this problem totally into focus?

[2:30]

Hon. Mr. Parrott: I welcome that question, Mr. Speaker, because quite frankly I think that's precisely what is happening. There's no doubt the Premier (Mr. Davis) had written to the former Prime Minister of Canada and those wheels were set in motion. In conference with my counterpart in Ottawa, I'm absolutely assured that the Prime Minister of Canada sees this as a major issue for his discussions with his counterpart, the US President.

I am very pleased to be able to tell members that I believe it was because of our actions in this province—I'm not going to say myself in isolation; I'm trying partly because of the deliberations that were given so much press in the standing resources development committee—because of all that background I am positive the Prime Minister of Canada has that as his top priority, or one of his top priorities, with the US.

Mr. Sargent: Why can't he do something?

Hon. Mr. Parrott: What more could you ask?

Mr. S. Smith: Point of privilege: It seems to me the minister has inadvertently misled the House in his point that the control order naturally required that the plant be in operation for such emissions to be monitored. The control order calls for two things: the installation of equipment and the monitoring of emissions. Therefore, I trust the minister would withdraw his statement that he cannot understand, and correct the record. The equipment could have been installed during the shutdown.

Hon. Mr. Parrott: Mr. Speaker, if that is a contentious issue with the member opposite, I'm more than happy to let the record show it was both. I didn't intend by any stretch of the imagination to say it was only one. The case I was making then, and still believe—

Mr. Roy: Apologize.

Hon. Mr. Parrott: —is that a study was essential and it had to be while the plant was in operation. That was the point I was making. If the member wants to amplify it, so be it.

ONTARIO ENERGY CORPORATION

Mr. Cassidy: I have a question of the Minister of Energy arising out of the recent financial report of the province of Ontario. Could the Minister of Energy explain why the government has stripped the Ontario Energy Corporation of $120 million in capital which could have been used for investment in the areas of energy conservation and renewable energy supply and left that corporation with only $37 million, rather than the $157 million it could have had as a result of its sale of Syncrude?

Hon. Mr. Welch: Mr. Speaker, I think that's a question properly to be directed to the Treasurer of the province.

Hon. F. S. Miller: Mr. Speaker, the moneys left in the Ontario Energy Corporation were the profits on the Syncrude investment. The balance returned to the province was the initial investment plus interest in the intermediate time. That money was used in the Employment Development Fund this year to create jobs—as it should—in the province.

Mr. Cassidy: Supplementary: Can the Treasurer explain how we are to believe the government's assurances about the concern for keeping Petro-Canada as a viable, integrated, publicly-owned national oil company when at the first opportunity available this government turns around and guts the Ontario Energy Corporation of almost all of its resources?

Hon. F. S. Miller: Mr. Speaker, I've given up trying to make the member believe anything.

Mr. Warner: Just give up. Resign today.

Mr. Martel: You should give up being Treasurer, because you're a clown at it.

Mr. Cassidy: Supplementary: Can the minister then explain why it is that the government strips the energy corporation of its assets on the one hand and then suggests in its policy statements that the province should give financial support to the oil companies to develop renewable energy? Is it the government's position that only the private sector can develop renewable energy? Why can't the energy corporation be used for that task?

Hon. F. S. Miller: It's both their right, of course. We had an immediate problem about which I heard a great deal from the member's party this year; that was the need to create employment in Ontario now—and we did.

Mr. Peterson: Supplementary: Why did the minister, when he extracted this money out of the Ontario Energy Corporation, set the investment up in the Employment De-

velopment Fund as a capital asset when, in fact, there will be no return from that money to the province at all in the future? In fact, it is an operating expenditure.

Mr. T. P. Reid: Slippery financing.

Mr. Peterson: Why did he change his accounting practice with that particular transaction?

Hon. F. S. Miller: The honourable gentleman is more learned in the accounting procedures than I am. I don't deny that.

Mr. Peterson: I haven't got the Treasurer's faith.

Hon. F. S. Miller: I can safely say to the member that we had put $105 million at risk in the interests of oil self-sufficiency in Ontario in Syncrude at a time when other people weren't willing to put their money where their mouth was.

Hon. Mr. Davis: And you people were critical of it.

Hon F. S. Miller: That turned out to be a success, or it appears to be a success.

Mr. Peterson: That's not the question.

Hon. F. S. Miller: At the same time we have chosen, in a year when we believed—

Mr. J. Reed: The government could have done better; it could have bought gold.

Hon. F. S. Miller: —we had a need to stimulate employment, to use that money in the most advantageous way.

Traditionally, money flows back into the consolidated revenue fund. We were simply able to say there was an offset there. We've had a bonus of income that might as well be used in Ontario this year to solve the immediate problem, and it was done.

Mr. Peterson: Clearly, that's not the question. Give the Treasurer a course in accounting.

Mr. Sargent: Supplementary: Did the Treasurer take the $339-million advance to Denison against their $7-billion uranium contract out of the energy fund or where did it come from?

Hon. F. S. Miller: I don't think that follows the original question.

Mr. Sargent: Doesn't the Treasurer know about the $7-billion commitment to Denison?

Mr. Speaker: Order.

Mr. Sargent: Where did the $339 million come from?

Mr. Peterson: He won't answer.

Mr. Speaker: Order. A new question, the member for Ottawa Centre.

HEALTH SERVICE CHARGES

Mr. Cassidy: I have a question of the Minister of Health. Can he explain how it's possible for any patient in this province to be billed extra by an opted-out doctor without having been told ahead of time, when the minister said in this House on March 29 that the OMA had agreed that all patients would be told in advance? Is the minister also aware that doctors who are not members of the OMA say that they are not bound by that agreement?

Hon. Mr. Timbrell: First of all, let me put this into some kind of perspective. By the time the 11 health insurance plan district offices close today, we will process and pay approximately 250,000 claims for services provided in the main by physicians and other practitioners in the province.

In the agreed-on principles between the government and the medical association as to how the plan should work, clearly, the patient should be told first and, if he is not told he should not pay. The medical association has been very active in assisting individual patients to resolve these kind of problems. I've encouraged members of the NDP and all parties, as well as the general public, to draw particular problems to the attention of the medical association so it can act in this role which, as I say, has been fairly successful.

If the member would like to give me the name of this individual, I will personally forward it to the medical association and I think they will be able to resolve it for the individual.

Mr. Cassidy: Supplementary: Perhaps I can give the minister a name, the name of a Mr. Bernie Kelly of Emeryville, near Windsor, who was operated on by Dr. Yovanovich on July 21 and was then billed $113 extra for his broken arm without being told beforehand.

Is the minister saying that, in his opinion, the patient is not obliged to pay this extra fee? What is the minister doing about doctors who say that they do not have to abide by an agreement between the OMA and the hospital association or the ministry?

Hon. Mr. Timbrell: If I remember correctly, this is the same gentleman whose name was used in an open letter to me on September 4 or thereabouts from the member for Windsor-Riverside (Mr. Cooke). I checked at the time and found that the medical association had not, in fact, ever been contacted by the patient, the member or anyone on his behalf.

Mr. Warner: The doctor doesn't belong to OMA.

Hon. Mr. Timbrell: I will follow this up with the medical association to get its assistance in resolving this particular problem—

Mr. Warner: The minister hasn't answered the question.

Hon. Mr. Timbrell: —between this individual patient and that individual doctor as one of the 250,000 services provided today.

Mr. Warner: Oh no; nice try.

Hon. Mr. Timbrell: By the way, nobody has ever told me, but I assume that he got good medical care and that his arm is healing.

Mr. Warner: What an apologist the minister is.

Mr. Conway: Supplementary: On the general question of opting out and balanced billing, can the minister indicate to this House at this time whether or not he will, on behalf of this government, be making a presentation to Mr. Justice Hall's review of medicare with specific reference to offering advice in this very troublesome question of opting out and the balanced billing that does result therefrom?

Hon. Mr. Timbrell: I do anticipate that we will be meeting with, and making a presentation to, Mr. Justice Hall and whatever staff he engages to assist him in his six-month review. I indicated, as well, at the last federal-provincial conference of health ministers, that I believe that while the learned justice's review is under way, the federal government should call on the Deputy Ministers of Health to work on clearer definitions of the five, or depending upon your point of view four, underpinning principles of medicare. Clearly, any concerns that exist about medicare in this country relate to the fact that the fathers of medicare very imprecisely defined those principles.

Mr. Cooke: Mr. Speaker, maybe we can get the Minister of Health to answer the question. There was also a second case; that of a Mrs. Hornsey who was operated on by Dr. Kleider in Windsor. She was charged an extra $100, and was billed two days after her operation.

Would the minister be specific and tell us how the OMA can possibly deal with these problems when these doctors are not members of OMA; and have informed their patients that they, the doctors, are not obliged to follow the agreement because they do not belong to OMA? Do we have to raise every case in this bloody Legislature? Why don't you deal with them?

Hon. Mr. Timbrell: I suspect that no matter what the answer is, the member will do what he pleases to get whatever headlines he wants to get.

Mr. Martel: Why don't you try answering the question?

Hon. Mr. Timbrell: My experience has been, in the last number of months, that we've been very successful with the individual cases—

Mr. Makarchuk: Your experience isn't relevant to the brutality out there.

Hon. Mr. Timbrell: —in getting these matters resolved, using the good offices of the medical association.

Mr. Cooke: These have been dragging on since June.

Hon. Mr. Timbrell: Since I stood in this House on March 29, and reiterated the principles on which the plan operates, we have paid out of the medicare plan—

Mr. Warner: This is nonsense.

An hon. member: Answer the question.

Mr. Cooke: How are these cases dealt with?

Mr. Warner: You're a disgrace.

Mr. Makarchuk: Whose money was it?

Mr. Cooke: How about these cases?

Hon. Mr. Timbrell: —out of OHIP, over 30 million claims.

Interjections.

Mr. Speaker: Order, order. If you're going to put these questions to the ministry, at least you should have the decency to allow them to be heard in response to them.

Hon. Mr. Timbrell: I am not for a moment dismissing the significance of this to the individual patient. I'm saying that there is a mechanism which has worked well. I may say to you, too, repeat, what I indicated in a written answer to a question last week, that we will in the next few weeks, complete the development of a guide, a list of all participating physicians in the province, and publish that list, which will be available widely to all referring physicians and to the general public.

Mr. Speaker: The Minister of Community and Social Services has the further answer to a question asked previously.

ALGOMA CHILDREN'S AID SOCIETY

Hon. Mr. Norton: In further response to a question raised by the member for Bellwoods (Mr. McClellan) yesterday, relating to the situation at the moment in Sault Ste. Marie: he raised, particularly, a concern about cer-

tain outstanding court orders that he was concerned might not be being adequately supervised.

I have made further inquiries through my staff and I am advised that those orders are, to the best of our knowledge at the moment, being adequately supervised. There is at present, I understand, a staff complement of 20, providing high-risk services to high-risk cases. That is compared with the normal staff complement of the society, I believe, of approximately 34.

In response to an earlier concern, we have asked, also, that the society provide us with a breakdown of all of the supervisory orders, since there are a variety of kinds of supervisory orders that the court can issue. On October 9, a statistician was, in fact, retained to carry out that exercise, that to lead to a further meeting with the regional director of our ministry and the supervisory staff to review the list and to ensure that they were being adequately supervised, and to plan for whatever further action might be required.

In further response to the member's specific concern about whether the society might be found in contempt, I can assure the member it is our opinion that as long as all of these supervision orders of high risk cases are being supervised—and it is my information they are—there is really no likelihood a judge is going to find the agency or staff in contempt.

[2:45]

The member was also making reference to some statements by the director of the agency. I would point out there was a meeting on October 2 with the board of directors and some of our senior staff from the ministry at which the director presented a report to the board outlining which additional staff in his view would be needed to ensure that high risk cases are serviced. It is my understanding that at that meeting the board gave the director the authority to seek to hire whatever additional staff was necessary in order to meet the obligations under the act. That has led, as I understand it, to the present level of 20 persons trying to discharge that legislative responsibility.

Mr. Wildman: Can the minister indicate whether or not the 20 figure he uses includes supervisory staff? If so, how many of those 20 have been hired since the strike began, how many of them are working full time and how long have they been on staff? In other words, how long have we had the kind of supervision he is talking about which is taking place right now?

Hon. Mr. Norton: That is the total complement of staff. That would include those carrying out administrative duties. But it is my understanding all of the administrative staff is engaged in the supervision of the activities of the society in terms of high risk cases and responding to emergencies at the present time.

Specifically how many of those have come on to assist to meet the obligations of the act during the period of the strike, I can't be certain; but according to my recollection, permanent supervisory staff who predated the beginning of the strike constitute only four persons. Presumably, then, the additional staff has been brought on. Whether they are full-time or part-time, I can't be certain. I assume they are full-time, but temporary.

ROYAL ONTARIO MUSEUM

Mr. T. P. Reid: I have a question for the Minister of Culture and Recreation.

According to press reports the minister made a deal with the federal government in regard to Loto Canada. In making that deal with them he assured them the province and the Royal Ontario Museum would be withdrawing its request from the federal government for something like $12.5 million for the Royal Ontario Museum expansion program.

Can the minister explain why he sold out the province in this regard and where he is going to find the $12.5 million the federal government had been asked for? How does he square having done this and his supposed promise to provide the funds with his remarks before the public accounts committee that more provincial funds were not forthcoming for the expansion program?

Hon. Mr. Baetz: Mr. Speaker, there was no sellout on the part of the provinces to the federal government.

Interjections.

Hon. Mr. Baetz: As a matter of fact, as the press has reported well, the provinces made a very good deal with the federal government.

Mr. Roy: So you say.

Hon. Mr. Baetz: So we say and so everybody else says. We can work with this government, which is more—

Interjections.

Mr. Speaker: Order.

Hon. Mr. Baetz: On the matter of the condition of the turnover of Loto Canada to the provinces, a number of provinces agreed to certain conditions. Some agreed to pay for the arenas out of the new lottery fund. In Ontario we agreed to assume respon-

sibility for the expansion only of the Royal Ontario Museum. We will more than make up for the extra money we will have to remit to the Royal Ontario Museum to guarantee they will have enough money to complete the three phases of their expansion program and give us here in Toronto a museum of world status.

We were committed to that. We are delighted to be able to do that. That money will be coming from lottery funds. We have the money. I don't know why the honourable member is so concerned. It is a success story; it is a victory all the way for the Royal Ontario Museum, for the province of Ontario, for the people of Ontario and for all Canadians.

Mr. T. P. Reid: By way of supplementary, it is interesting the minister now knows something about what is going on at the museum. Would the minister not agree with me that he has been suckered by the Royal Ontario Museum into their expansion program of $44.5 million, the money for which they didn't have when they embarked on the program? They put the minister and this government behind the eight ball and said, "You either provide the money or we can't complete this expansion." The minister said, "Aye, ready, sir," when he found out what, in fact, was going on. Does he really believe that kind of planning by the Royal Ontario Museum and by his ministry and the civil servants in it is any way to run a province?

Mr. Bolan: The minister is going to be the first exhibit in the museum, the prehistoric monster.

Hon. Mr. Baetz: Mr. Speaker, I reject out of hand the allegation we got suckered into any kind of deal. The Royal Ontario Museum was very clear about its three-phase expansion program. We knew what it would cost. We are happy to be able to find the funds—

Mr. Bolan: A burnt-out Minister of Energy.

Hon. Mr. Baetz: —to make this a world-prestigious museum. There was no suckering and no bad planning. If the honourable member would only read his own report of the public accounts he would understand. If he just reads the report he will see—

Mr. T. P. Reid: They haven't reported yet.

Hon. Mr. Baetz: —there was good solid planning all the way down the line. On the three phases, the money was there. The honourable member should read his own report and get his own answer.

Mr. Makarchuk: Supplementary: Would the minister give assurance at this time that this world-standard museum will maintain its world-standard rock and mineral collection in the new building?

Hon. Mr. Baetz: As it is now, Mr. Speaker, as it is now.

Mr. O'Neil: Supplementary: It is very hard to understand when the minister says he knew what was going on at the museum, because it didn't appear that way in committee. I would like to ask the minister: Is the minister prepared to give this Legislature his assurance that the expansion figure of approximately $44 million will not rise above that amount, especially when suggestions have been made to us that costs may escalate to somewhere between $50 million and $60 million? If this happens, what is he prepared to do?

Hon. Mr. Baetz: I am planning to make a statement next week which will deal not only with the expansion program but also with our operating grant to the Royal Ontario Museum. I think once we make that statement those questions that have just been raised will be well answered.

COPAYMENT FEES

Mr. R. F. Johnston: My question is for the Minister of Health. What advice does the minister have for senior citizens with spouses in chronic-care facilities who after paying his ever-rising deterrent fee, find themselves in jeopardy of losing their homes through lack of funds? Would it be the same as was given to a constituent of mine, who was advised by a chronic-care facility to rent out rooms or to sell her home? Would he advise them to undertake an involuntary separation from their spouses in order to receive more money?

Hon. Mr. Timbrell: This copayment was recommended by all parties in the House, of course, a year ago tomorrow.

Mr. R. F. Johnston: It was not.

Mr. McCaffrey: Yes, it was.

Hon. Mr. Timbrell: The chairman of the committee reminds me it was, in fact, signed by all members of the committee. I think it has worked amazingly well considering it's only been in for about six months now.

Mr. Cooke: According to you, everything works well.

Hon. Mr. Timbrell: The individual hospitals and members of my staff are dealing with any individuals who have particular problems, but generally speaking we are finding, as we found in the nursing homes since 1972 when nursing-home care became a benefit, that those kinds of things are not in

fact in the cards, and families do become involved, as they should, in assisting their elderly to cope with this situation.

Mr. R. F. Johnston: Supplementary: In view of the fact that my constituent will receive about $65 a month more income by which to maintain her home by opting for an involuntary separation from her husband of long standing, and has chosen to do so in order to get that extra $65, will the minister tell us if it's the policy of this government to divide long-time marriage partners who are already suffering separation through health problems, or is he going to exempt senior citizens from this cruel tax?

Hon. Mr. Timbrell: Mr. Speaker, I am not entirely familiar with what the member refers to as an involuntary separation. I do know that when the previous federal government changed the increases in the old age pension for couples it did build in a provision that if either of the spouses was institutionalized that spouse could apply for a reinstatement of that amount.

I take it that's what he is referring to, or what he must be referring to, and that has nothing whatsoever to do with the copayment. That has to do with an individual being in a home for the aged, in a chronic hospital, an acute-care hospital, a nursing home, anywhere. It has nothing to do with that, and of course we are not promoting the separation of couples.

I invite him to go back and re-examine the rationale, the arguments that were made by the senior citizens' advisory council of this province, by the select committee, on which members of his own party sat, and by several other bodies which have recommended that we have this kind of charge in this province that would equalize the cost across the long-term care field, and also ensure that in the provision of moneys for income maintenance for the elderly they don't, in effect, end up paying twice; they don't pay whatever it is, $60, $70, $80, sometimes $100 a day for a chronic-care bed, and also continue to pay completely income that is meant to maintain the individual and that previously was building up, in the main, in the interests of the children and their heirs and not being used for the purpose for which it was intended.

Mr. Conway: Supplementary: Can the minister indicate whether he or his officials have maintained any kind of statistical count on the implementation of the copayments? If so, would he make that information available to this House at an early time so that we could perhaps examine more precisely the impact of the copayment scheme?

Hon. Mr. Timbrell: My officials have been meeting regularly with representatives of chronic-care hospitals. We fully anticipated, of course, that with a new program like this there would be problems, and there have been some. We have been arguing them out as we have gone along. If the member could be a little more precise today, or place an Order Paper question, or whatever, as to what he would like to know, I would be glad to try to assist in getting the information.

Mr. Conway: I would like to re-put that question. Very simply, have ministry officials undertaken any kind of study to ascertain exactly the impact of that particular copayment? How many people have been paying over the course of the past numbers of months? Does the minister have those kinds of figures? If he does would he make them available to this House at an early opportunity so that we might more fully examine the precise impact of that scheme upon the health-care delivery system?

Hon. Mr. Timbrell: Mr. Speaker, I will be glad to pull together the statistics we have.

Mr. Breaugh: Supplementary: I wonder if the minister would consider circumstances such as have been outlined by the member for Scarborough West as grounds for exemption under the chronic-care deterrent fee, or better yet, get rid of the fee altogether?

Hon. Mr. Timbrell: I took the member for Oshawa's advice in implementing it—

Mr. Warner: Totally misled and you know it.

Hon. Mr. Timbrell: Oh yes, oh yes, I took his advice, and no matter how he tries to change the record, as he keeps trying to change the September 12 press release of his, the words of his party and its members are in cold hard print. I took his advice in implementing it. I still think he was right and, of course, I indicated the exemptions would be kept under constant review.

CHILD SUPPORT PAYMENTS

Mr. Breithaupt: Mr. Speaker, I have a question of the Attorney General concerning recent interpretations of section 27 of the Family Law Reform Act, which states that the court may enforce an order for support "upon the request of a person entitled to support," which interpretations appear to deny a mother, or indeed would deny any parent or guardian, the right to claim support on behalf of an infant or minor child. My question is in two parts, as initially set out

in my letter to the Attorney General on October 3, to which I have not as yet had a reply.

First, if the decisions are correct in law, will the Attorney General bring an amendment before us this fall to correct the situation and have the terms "parent" or "guardian", or however they may be, added after the word "person"? Second, if the decision is not correct in the view of the minister and of his advisers, does he intend to appeal the decisions or to instruct the judges of the family division in this regard?

[3:00]

Hon. Mr. McMurtry: I am sorry, but I have not seen the honourable member's letter. I will certainly make efforts to get a copy of it as soon as possible, and when I have had the opportunity of reading the decisions to which he refers I will be in a position to reply to him, which I hope will be in the very near future.

Mr. T. P. Reid: Does your interoffice mail arrive by stage coach, Roy?

Mr. Breithaupt: As a supplementary: Since there are in Waterloo region alone some 80 of such applications each month and since we also have arrears of about $1.25 million at the present time in that region alone, would the minister not agree that this interpretation might do much to disturb, certainly, the operations of the family court? Would he not also agree that clearly the intention of the Legislature to allow and encourage proper applications to be made would be frustrated unless an amendment was attended to?

Hon. Mr. McMurtry: I am not prepared to comment on the correctness, or otherwise, of the decision unless I have an opportunity of looking at it, but I agree with the honourable member that the matter is obviously important. We will look into it right away.

Mr. Roy: Supplementary: I wonder if I might ask the Attorney General, when he is looking at the Family Law Reform Act regarding possible amendments to the section that has been referred to by my colleague from Kitchener—and he may have had complaints on this certainly from the profession or from the general public—and recent decisions from the Supreme Court of Ontario pertaining to interpretations of section 18(4), that is, the decisions that allow the court to interfere with domestic agreement, and to section 4(4) which talked about unequal division of family property, whether he might look at these sections and advise this House whether he feels those interpretations are in line with what was intended by the members of this Legislature when the act was passed?

Hon. Mr. McMurtry: I shall pursue that.

CLEANUP OF SPILLS

Mr. Wildman: I have a question for the Minister of the Environment. Since Eldorado Nuclear Limited now has the approval of the Atomic Energy Control Board to transport approximately 5,000 gallons of radioactive sulphuric acid in tanker trucks every two weeks to Rio Algom in Elliot Lake, can the Minister of the Environment explain what, if any, contingency plans his ministry has for the cleaning up of a spill of radioactive acid in northern Ontario if an automobile accident occurs while this is in transit?

Hon. Mr. Parrott: I think with any luck at all we will have the legislation on spills completed within a matter of days. Certainly it has been debated at great length, and although it hasn't been proclaimed, I don't think there is any doubt that the terms are very clearly spelt out and agreed to by all parties on the cleanup of spills.

I would like to think that the legislation is one of the best pieces of legislation we have seen in a long time, and with the support of the opposition in getting it through committee in the next day or two, the very best of conditions will have been set out in this bill introduced by ourselves not too long ago.

Mr. Wildman: If the minister is saying that other than the legislation there are no particular contingency plans for dealing with radioactive waste that might be spilled in transit, can he indicate to us whether or not he thinks it is appropriate for this type of material to be transported in tanker trucks over long distances, from Port Hope in southern Ontario to Elliot Lake, and, if so, is he aware that the Algoma District Municipal Association has passed a resolution requesting the Ontario government to restrict the movement of this dangerous material on the provincial highways? What is his response?

Hon. Mr. Parrott: The control of radioactive waste, as I am sure the member knows, is not under our jurisdiction.

The movement of that waste is controlled under the bill, and it is very clear that the company must indeed deal with whatever spill, whether it is this hazard or another hazardous waste, so that a contingency plan obviously would be the responsibility of the company. I think they are prepared to accept that. All companies must accept that responsibility.

Each spill will require a different amount of expertise to clean up. We don't have an overall game plan. We have a specific game plan for a particular material. The owner or person in control of that must know those plans and must notify the ministry. All that is very clearly set out in the bill. I would recommend members read it in full detail—the member probably has. But surely that says all of those contingencies are taken care of in that legislation.

Mr. B. Newman: A supplementary of the minister: Not all liquid wastes, radioactive or otherwise, are carried in motor vehicles. Sometimes they're transported by rail.

Would the minister request the federal government to see to it that the Ministry of the Environment here is informed at any time when there is a spill? I bring this to the minister's attention because four railroad cars were derailed in the Windsor area carrying sulphuric acid, not radioactive at all. It was two days later that the ministry was informed.

Mr. Speaker: The question has been asked.

Hon. Mr. Parrott: Again the bill very clearly spells out that failure to notify us—the Ministry of the Environment, province of Ontario—of any spill in this province is a violation of that act. It's one of the very first things the owner or person in control must do. Indeed they are subject to penalty if they do not. So the member need not worry again that we will be advised of a spill.

WINTARIO GRANTS

Mr. O'Neil: Mr. Speaker, I have a question of the Minister of Culture and Recreation. Will he tell us when the present freeze on Wintario capital funding imposed by his ministry will be lifted so that the many municipal and other projects in the planning stage can be proceeded with?

Hon. Mr. Baetz: We are still continuing our study of the new criteria and the new policies which should be governing the capital program. We anticipate we should be concluding that by the end of this calendar year and sometime in the winter months we will be announcing the new criteria, the new principles, and carry on from there.

Mr. O'Neil: I wonder if the minister can say why many groups—one of them being the Toronto Theatre Alliance Group with close to 70 members—have stated that only one of their members was approached for his views on the capital funding survey? If this is the case, is this survey truly an input or mainly so he can catch up on the backlog of applications he has on hand?

Hon. Mr. Baetz: This has been a very thorough study. We have interviewed thousands of people throughout the province, including people from the arts community, municipal officials and other provincial officials. We have had a great deal of very valuable input to this study. My only point of regret in getting information and ideas on this study on what our new capital program was, is from that party over there. It developed one solid decision that simply said: "Do not co-operate with this study in any way, shape or form—politicize the thing when he gets it here."

Mr. Breithaupt: That's right. We'll ask our questions here.

Hon. Mr. Baetz: For that I thank them not one whit.

Mr. Makarchuk: Easy come, easy go.

DOMESTIC EMPLOYEES

Mr. Charlton: Mr. Speaker, I have a question of the Premier. In view of the fact we debated a bill last Thursday which would have given domestic servants coverage under the Employment Standards Act, and in view of news articles this morning indicating the Minister of Industry and Tourism (Mr. Grossman) seems to have very little concern for the ability of domestic employees to earn a decent living—paying a wage, if what the employees say is true, of $1.21 per hour—would the Premier kindly tell the House whether or not on votes on bills or in standing to block bills ministers are required to declare conflict of interest?

Hon. Mr. Davis: Mr. Speaker, I recognize the member is relatively short of important questions to ask.

Mr. Makarchuk: Some of us work 14 hours a day, and you don't care.

Hon. Mr. Davis: I would just say that if those people opposite declared their own intellectual and, in fact, material conflicts of interest as well as we do on this side of the House, they would be a lot better served.

MOTION

REFERRAL OF ESTIMATES

Hon. Mr. Wells moved resolution 7:

That the estimates of the Ministries of Housing and Energy be withdrawn from the standing resources development committee and referred to the standing general government committee to be considered following the completion of the estimates of the Office of the Provincial Auditor.

Resolution concurred in.

INTRODUCTION OF BILLS

CORPORATIONS AMENDMENT ACT

Hon. Mr. Drea moved first reading of Bill 144, An Act to amend the Corporations Act.

Motion agreed to.

FISCAL PLAN ACT

Mr. Van Horne moved first reading of Bill 145, an Act to provide for Fiscal Planning in the Government of Ontario.

Motion agreed to.

Mr. Van Horne: The purpose of this bill is to require that a five-year fiscal plan be submitted by the Treasurer of Ontario to the Legislative Assembly when the budget is presented each year.

The bill provides for the establishment of a committee of the assembly, to be known as the standing committee on government finance and the economy, to study and make recommendations concerning the fiscal plan.

RULES OF THE HOUSE

Mr. Speaker: Before the orders of the day, I would like to call to the attention of members of the House that yesterday the NDP House leader, the member for Sudbury East (Mr. Martel), raised a point of order with respect to the debate to be held today on sessional paper 181, Oil Pricing and Security: A Policy Framework for Canada, and sessional paper 182, Energy Security for the Eighties: A Policy for Ontario.

An interesting discussion then took place with respect to the authority for the procedure of putting an order on the Order Paper for consideration of a sessional paper or papers without a motion for that purpose. While it is, of course, correct to say that as a general rule all business is brought before this House by way of a motion, there are, as the House is aware, exceptions to this rule.

[3:15]

There is the provision of the present standing order 30(b) by which a committee report may be placed on the Order Paper for discussion simply at the request of the committee in the report or at the request of 20 members. There is, also, the procedure made use of with respect to today's order. While I agree that this procedure has not been defined by the standing orders, and that in the majority of instances the order has been put on the Order Paper as a result of a motion for that purpose, still there is the clear precedent in 1976, alluded to yesterday, at which time the decision of the House leaders was announced on Friday, April 30, by the then government House leader and the order was placed on the Order Paper for the following Monday, May 3.

I am therefore ruling that, as far as the order of today is concerned, the discussion is in order and will be permitted to proceed. I would, however, ask that the procedural affairs committee examine this procedure and as quickly as possible make its recommendation with respect thereto, perhaps for an addition to the standing orders of the House if that is the committee's decision.

ORDERS OF THE DAY

ENERGY POLICY PAPERS

Consideration of sessional paper 181, Oil Pricing and Security: A Policy Framework for Canada, and sessional paper 182, Energy Security for the Eighties: A Policy for Ontario.

Hon. Mr. Davis: Mr. Speaker, I welcome this discussion in the Legislature on pricing and energy security. I regret I won't be able to listen to all the contributions because of the timing of the debate, but I say in advance to the Leader of the Opposition (Mr. S. Smith) that I have read in great detail, and with some interest, the paper that was presented a few weeks ago, that great efforts were made to communicate to members of the press and newspapers.

I won't say anything about some conversion in attitude or policy during that period of time. I am intrigued by it. I don't really expect we'll get any unanimity today or agreement on the proposals that have been advanced by the province. That doesn't surprise me or disturb me. But it is my hope that we will speak as one, and in that essence, as strong and tolerant Canadians.

For my part I would like to be as nonprovocative as possible. I would like to address several of the key issues raised in the paper. It's not my intention to restate all of them, but I want to clear up one or two points for the Leader of the Opposition before I proceed in what will be a relatively nonpartisan approach. I'll try to put these couple of distractions behind us.

First—and I know he's listening very carefully—I have not, nor has the government, entertained supporting or advocating a $5 increase in 1980 in the price of crude oil. I don't want to impose on the intelligence of other members of the House. Nevertheless, for the sake of the Leader of the Opposition, who prefers to interpret rather than to read what has been proposed, I will restate precisely what I said on August 15.

"The position of the government of Ontario is:

"1. Immediate pricing policy: Ontario recognizes external pressures for crude oil price increases. Moreover, Ontario is determined to play an active, positive role in national energy policy. Nevertheless, bearing in mind Canada's continuing capacity to choose its own policy, the present dangers already before our economy and the impact of price increases under present pricing arrangements, Ontario is opposed to any immediate price increase beyond the current January 1980 agreement, which calls for a dollar-per-barrel increase.

"2. Comprehensive adjustment policy: If Canadian oil prices are allowed to rise substantially at any time there must be a basic change in revenue flows and energy and economic policies to (a) achieve national oil self-sufficiency, (b) avert an unnecessary recession, (c) avert undue hardship on the consumer, and (d) enhance industrial adjustment."

I don't quarrel with the right of the Leader of the Opposition to agree totally with what is said either there or in the policy paper itself. In fact, this is part of his responsibility as Leader of the Opposition, although I would give him a little friendly advice, if I could, in the spirit of this debate. He might find it politically more beneficial to himself and members of the party—and I think at this moment they need a little benefit—if he were on occasion to recognize that government does things right. He'd be amazed at the response he might get from intelligent people in this province—and that includes all of the people of this province—if he were, on occasion, to say to the people that the government is right on this issue and it is doing something right.

He'd be surprised at how people react to the constantly negative approach. I expect it from the New Democrats. This is their mindset. It has been their lifestyle for generations, and I never expect it to change.

Mr. Martel: That's why there are more than eight of us here now.

Hon. Mr. Davis: But it hasn't always been the approach of the Liberal Party of Ontario. I can recall the former leader on occasion even complimenting the government—not too many times but at least on sufficient occasions to give some credibility to the rather negative approach that any Leader of the Opposition must take. Anyway, I'm just giving a little gratuitous advice which I know won't be accepted.

Mr. Nixon: The Premier will give it anyway.

Hon. Mr. Davis: I would ask him as a gentleman and as a member of this House that he really not go around the province distorting what I've said.

Mr. Mancini: He certainly wouldn't do that.

Mr. Nixon: You seem to be doing that yourself.

Hon. Mr. Davis: In fairness—and I know he wants to be fair or at least I think he wants to be fair—he can't go around this province and say that I am or the government is, as he has said to other people, advocating a $5 increase per barrel.

Nothing I have said since then or in the discussions that have taken place since the paper was issued has contradicted or watered down my basic approach. I have opposed and will continue to oppose any change in the existing price agreement that would generate windfall profits rather than oil security and economic recession rather than shared national growth.

Secondly, while we are not out to divide Canada, I do confirm to members of this House that the very fundamental issues here are real. I assure them that we are serious about what we are advancing. In this respect —and this is the second of only two observations to the Leader of the Opposition, just to get the record straight—I find it to be somewhat personally insulting, though I'm used to that, and in certain aspects it may frustrate our chances of success.

On September 14 he referred to the honest differences I have with fellow Conservatives in Ottawa and in Alberta as shadow-boxing. That's fine.

Mr. S. Smith: Exactly.

Hon. Mr. Davis: It is ironic that he would say that because for years he has been in basic agreement, when the first debates on energy took place in 1973-74 and then again in 1975-76, with the federal government that we must accept the inevitability of world prices in oil. And I'll get around to the specific wording of it.

I suppose I cannot complain about such a term as shadow-boxing since I have made reference, which he now does—as he adopts so many of the good things we do—to our kissing cousins in Ottawa which used to be his kissing cousins. Why don't they find something original? Why do they have to copy what we have suggested?

Mr. Nixon: Joe Who hesitates to think what your relationship is.

Hon. Mr. Davis: I told the member for St. George (Mrs. Campbell) how she should be very careful how she defines my relationship.

Then he went on to say, and this is a quote —and if the Leader of the Opposition was wrong in this or if he was misquoted I'd be more than delighted to have him say so— "They appear to be seeking a resolution to protect their party, not the citizens of Canada."

Mr. Mancini: That's true.

Hon. Mr. Davis: The Leader of the Opposition doesn't say these things in the House. He doesn't say them even when some of his members are around to hear him say these things. I know he says them without thinking, which doesn't surprise me a great deal. But to imply the existence of what is a conspiracy is really laughable. He has to mature, grow up and understand the political process in this country to suggest that I am compromised because I am a Conservative. That is total, utter nonsense.

Frankly, the member opposite seems incapable of understanding that there is a distinction between partisan gamesmanship—and I play that too, I confess it—and what is a suggested innuendo that is, I think, unfair, unwarranted and is not worthy of a Leader of the Opposition in this province. And I believe that.

Mr. Nixon: Why don't you deal with the issue rather than taking that—

Hon. Mr. Davis: I'm going to deal with the issue. But I think it's only fair, I would say to the member for Brant-Haldimand-Norfolk, or whatever great areas he represents, that it is fundamental at this rather sensitive time in our history that the facts be presented on a factual basis and that our position not be misinterpreted as it is in question of price and with respect to the debate that is going on at present.

I make no apology for having supported Joe Clark as our national leader—

An hon. member: You'll live to regret that one.

Hon. Mr. Davis: I'm not one of those kind of people who in political life will go around and quietly say, "I hope my leader is defeated," not go out and support him on the hustings, and separate his party from the federal Liberal Party in order to try to create a separate identity.

I'm going to tell the Leader of the Opposition—I'm giving him some more friendly advice—there are a lot of federal Liberals in this province who will not forget the fact that those people over there did not help the former Prime Minister of this country.

Mr. Makarchuk: Is this a political lesson?

Hon. Mr. Davis: The truth of the matter is, I have probably more respect for the former Prime Minister in intellectual terms than has the Leader of the Opposition. I've dealt with him. I've disagreed with him. We fought. But I tell the House, I would never leave my leader under those circumstances and not give him the kind of support that as party members we're expected to give.

I would say to the Leader of the Opposition there is a distinction between party loyalty at times of elections and determining the interests of the people of this province, in both a parochial and an important sense, and also trying to create some interest in a national policy with respect to energy, oil pricing and supply.

That is the extent of my nonprovocative comments. I will now try to deal more objectively with the issues.

Mr. Roy: We'll turn down the background music now.

Hon. Mr. Davis: If they turned down the background music, the member for Ottawa East would be the first one to fall asleep, but I understand that. I respect that and I'm looking forward to reading his participation in this debate. I'm certainly interested in it.

Mr. Roy: It won't be as sanctimonious as yours.

Hon. Mr. Davis: One thing I am not is sanctimonious—

Mr. MacDonald: You're being provocative.

Hon. Mr. Davis: —but one thing I am, I like to think, is relatively fair when it comes to some of these issues. I don't go around misinterpreting the member or his party on one or two sensitive issues although I could. I don't do it. It's a temptation, but I don't.

Ms. Gigantes: Oh, Holy Bill.

Mr. Makarchuk: No, but you do on all the others.

Mr. Speaker: Order. This is a debate, but I'd like to hear one at a time.

Hon. Mr. Davis: I agree with you, Mr. Speaker.

I have now dealt with motivation, sincerity et cetera. I hope that because I haven't— well, never mind.

I'd like to go back a little bit and indicate how I saw as Premier of the province the choices before us early this summer when it became apparent that a significant price increase was under active consideration.

There were essentially three courses available to use, as I sensed them. First, we could accept the fashionable notion that swift move-

ment towards world price is inevitable and help lock in a quick national agreement to that effect. That would have been one route to go.

Second, we could take the extreme position of opposing even the present agreement to raise the price by $1 next January and leave it to others to address the complexities and define the compromises.

Third, we could enter the debate early as an advocate and place before Ontario and the country at large the range of issues and dangers before us.

Quite obviously, we chose the last approach, because we were convinced that the only effective way to protect this province is to advance by ourselves—not to look to others—policies worthy of the total country and to help inform the public about what is at stake before their governments act.

I should go back over some of the chronology of this. Regarding the price agreements —and I emphasize this—as between the governments of Canada and Alberta, there is some impression in the minds of some—I don't say the members opposite—that Ontario is a party to agreement. We're not party to any agreement. The agreement is between the producing provinces and the government of Canada.

There was the postponement of the July 1 increase—I won't suggest that was for partisan motivations at the time of the federal election. We said at that time that while we weren't happy with the increase the agreement should continue, the agreement does go into 1980 and we understand this.

[3:30]

We also very carefully assessed the very large fiscal and economic distortions world pricing entails and we were obliged to consider the challenge of enhancing rather than further eroding crude oil securities. In our view, the energy security of the country must come first and thus I felt a deep obligation not to obstruct the urgent need to find a workable national energy policy and to consider carefully the view, sincerely held by many, that world pricing is in the national interest.

I would refresh the minds of the members opposite, particularly the members in the Liberal Party who—and as I say, we do this on occasion—like to relate what is said in the nation's capital to what they think is our point of view here. I really am quite intrigued as to how people's points of view change when they move from responsibility to non-responsibility.

The suggestion of the new energy critic of the Liberal Party of Canada is they really quite support the government of Ontario's position. I would just recall to the minds of the members here, Mr. Speaker, there were members in the former administration in Ottawa who argued sincerely for world price. They did it at the time of the first debate. I think the member for London Centre in this House, in a very objective and analytical sort of approach, reminded us of the need to go to world price for energy. I think the records of Hansard will show that, as will speeches he made elsewhere—and I believe it was a sincerely held point of view; I think it's fair to state to the Leader of the Opposition this was the point of view held by—

Mr. Peterson: Read the statement. It is right here. Do you want to read it?

Hon. Mr. Davis: I know; I have read it. I would say to the Leader of the Opposition that former Ministers of Energy, I think by implication and what they suggested, and what they felt in terms of principle, were basically in support of world price. That includes the former Minister of Finance, who was Minister of Energy for a time. I know the Leader of the Opposition holds him in very high regard these days and wouldn't dispute his point of view on almost anything.

I understand my point of view is so overwhelming one of my colleagues—

Mr. S. Smith: He fell asleep. You shouldn't fall asleep when your leader is speaking.

Hon. Mr. Davis: We have in good conscience acted on both of those issues I mentioned, precisely to help expedite rather than frustrate the task we see ahead. We proposed what we feel are national solutions to the question of supply and distribution, and did so, taking into account the legitimate interest beyond our own jurisdiction.

Above all, we attempted to present constructive ideas to assure a regionally balanced pursuit of energy self-sufficiency. We have also not disguised the difficulties, because they are obvious to all of us.

Before tackling the crucial pricing issue, I want to deal with two matters which relate more directly to the pursuit of adequate energy supplies; Petro-Canada and Ontario's capacity to better meet its own energy requirements.

To reiterate, our government believes the present national responsibilities of Petro-Canada should be retained and the federal government should retain ownership of Petro-Canada as a national, publicly owned petroleum institution.

We have advanced this position on several occasions with the federal government and I sense on this matter, at least in this debate

today, we are reflecting a point of view that might find greater unanimity than on one or two other areas of discussion.

I do not believe a new federal government absolutely must retain every bit of this company, or should not even review its structures or relationships to Parliament. I am sure the Leader of the Opposition would be quite upset, for instance, if we were to say there is no need for a select committee to review the activities of Ontario Hydro, that it is inviolate, that it doesn't need to have its mandate questioned or its activities questioned. I think that would apply as well to a federal crown corporation as much as it would to—

Mr. Cassidy: Why aren't you expanding Petro-Canada?

Hon. Mr. Davis: We are in favour of Petro-Canada remaining in the public domain.

Interjection.

Hon. Mr. Davis: I would like to refer very briefly to the October 1 paper presented by the Minister of Energy (Mr. Welch), and he will be dealing with this in more specific terms. His main purpose was to indicate at this time not only what we feel is required nationally, but what can be accomplished within our own province.

The minister outlined the main features of a program to achieve in Ontario 35 per cent of our future energy needs from our own resources.

This, too, was misunderstood a little bit by some members opposite. We will never be a major energy economy; that's not going to happen. However, it is well within our capacity to reduce our demands on others, and to this extent I hope we can strengthen both our own economy and the national one. I believe it is important that they be understood across Canada if we are to play an effective role in defining national energy policy.

To imply from this that Ontario is or intends to be part of a drive toward provincial self-sufficiency, is, to put it mildly, very silly. No one suggests this. Some have interpreted it.

I think it is sensible and in the national interest to pursue the 35 per cent objective. It will benefit the country but it will not substitute for a strong national drive to crude oil self sufficiency. Ontario's energy security is ultimately a national challenge, it does impact on the rest of the country. A national agreement on new oil developments in Alberta and Saskatchewan and in the frontier remains our most immediate concern.

I do not accept the somewhat defeatist notion of the Leader of the Opposition, outlined in May, 1976, and reissued the day I released our paper this August—and if he had asked me first I would have advised him to save his paper for a day or two; it might have received more attention and I would have passed that information and advice on very helpfully—that "Canadian oil supplies will probably be depleted within a decade." That's close to four years ago when that statement was made. "Thus it is urgent to prepare our industry and consumers for the advent of world oil prices." That's four years ago roughly, three and a half.

In specific terms, we support the federal government's commitment at Tokyo to reduce our forecasted demand levels. I think that's essential for all of us. It is an obligation that all of us must assume. However, I do not believe that we are compelled for either international or domestic reasons to assume world oil prices. I debated this with the Leader of the Opposition then, I debate it again now. I am encouraged to see that he will not acknowledge that he has changed his mind but that obviously the Liberal position, in essence, has somewhat altered.

Mr. S. Smith: Tell the truth.

Hon. Mr. Davis: It has. While defining and then forecasting the world price of oil as either futile or fanciful, one thing is certain, chasing after world price means a continental pricing policy for Canada.

If Canada is to bear the cost of oil independence then it is only consistent that our consumers continue to enjoy the right to participate in setting independent Canadian crude oil prices.

To a real extent how much we consume is everybody's business. I think that's fair on a global basis. However, when it comes to pricing, our unique energy flexibility should allow us, as Canadians, to choose our own particular course. Whether we use this opportunity wisely or foolishly is of legitimate concern. Nevertheless, the existence of this opportunity to decide for ourselves cannot and must not be denied.

If the decision of the American government to be at world prices for oil by 1981 holds up—and this is their stated policy now, and that's only roughly a year and a half away—it will not be because of a firm understanding about massive price increases in oil consumption or a perceived need to create massive windfall profits for the petroleum sector. The extra pressure in the United States for higher prices is born partially of a regulatory mess, a fiscal bind which this country has largely been able to avoid.

Effectively, over 80 per cent of oil consumed in Canada is produced in Canada. The revenues are retained here as well. Conse-

quently, we have been able to finance with little difficulty a one-price oil policy across Canada which is well below world price patterns. To put it into perspective, we are at $13.50 to $14.00 a barrel. World price is at $22.50 to $23 a barrel, although with Libya, and whoever else yesterday, increasing it by $2, and others perhaps to follow, one might argue world price is another $1 to $1.50 up. We are roughly $10 below world price, probably around $8 below the Chicago blended price; and these figures too, I might suggest with respect to the members opposite, didn't come about by way of accident. I am not one who goes around looking for a lot of political credit but I can tell you this—

Mr. J. Reed: He's sitting there with a straight face.

Hon. Mr. Davis: Now listen, I will tell members this, I will make a very objective analysis of the past five years, because I was in those discussions. If the former government of Canada had had its way and the producing provinces had had their way, because the other provinces of Canada were not objecting to moving fairly rapidly to world price, we would have had a much higher price in Canada today if it had not been for the efforts of the government of the province of Ontario. I say that very modestly, very modestly.

Mr. Roy: Do you think Joe Clark will listen as well?

Hon. Mr. Davis: I don't know. I certainly am making an effort. The United States is facing a very different set of circumstances. They now import almost half their oil requirements, and next year that figure will be over the 50 per cent. Consequently, with such horrendous outflows of petro-dollars, the American government cannot cushion import prices. This is the bind they find themselves in.

Furthermore, for those who feel pricing is the key to conservation, and I have heard this argued, that if you have a higher price you are going to have a lower consumption, I would argue that once again our circumstances in Canada are different. According to the most up-to-date figures compiled by OECD for 1977, Americans individually consumed 25 per cent more gasoline than Canadians. This gap of some 85 imperial gallons per person cannot be explained away simply by comparing prices. For those who suggest that on the basis of gasoline we are a larger per capita consumer, the figures don't bear this out. I acknowledge that Ontario is a leading consumer of oil if we take into account home heating oil, and I believe as we continue to grow we will still face this but I think we can moderate the demand.

Indeed, we have proposed in the second paper released a variety of measures to reduce automobile consumption and to assist individuals and industries to switch to more abundant sources of energy, of which electrical resources of Ontario Hydro and natural gas from western Canada are two of the primary areas.

Nevertheless, I want to emphasize that simple comparisons—and this is what one runs into when you discuss this issue with people outside Canada—simple comparisons with our major trading partners do not demonstrate that without "world prices" we are squandering energy at an intolerable rate. I agree we have got to do better. However, it should be kept in mind that our rate of oil consumption has been determined essentially by our unique needs. Our distances are great. If you are travelling in countries that I very briefly visited, in the public interest of course, Holland, Belgium and so on, the distances there aren't quite as great as they are in this country.

Our resource industries are energy intensive—that is one of the reasons we are a large oil consumer—and our climate is more demanding than some others. Furthermore, our growth imperative in terms of needing to build the economy to provide job opportunities really has been unparalleled, certainly anywhere in western Europe.

There may be evidence that the price increases we have experienced are encouraging more energy efficiency in our society. That may be the case, Mr. Speaker. However, I could find no honest consensus that significant oil price increases by themselves lead effectively to reduced consumption. I don't think that just pricing alone is a sufficient vehicle for reduced consumption or conservation. The only thing we do know is that a massive increase in the price of oil can stall economic activity and slash employment growth. That much we do know.

I will oppose this course so long as I am charged to serve this province. We are not a have-not province, but we are not going to be bled white in this process either.

Fortunately, in our view, the options before the government of Canada are more manageable than they would be in a lot of other countries. It has the fiscal and constitutional capacity to permit only moderate price increases. Also, it can allow prices to rise at a faster rate and capture the windfall profits which would accrue to the petroleum industry in the producing provinces. Either of these approaches could be designed to

allow the economy to grow and to protect personal incomes for those people on fixed incomes, in terms of say home heating oil. [3:45]

Let me stress again that this is not our position. These choices are not yet fully accepted or understood by other governments across Canada. I want to make sure the member understands this, before he says they are all Tories—which is a great thing; their points of view when they were not Tories and when there were other governments in charge were really very similar.

I have faced, ever since we have been debating this issue in this country, a minimum amount of support from the other provinces of Canada with respect to the debate on world oil price, including the producing province of Saskatchewan. I haven't had a lot of support.

Mr. Cassidy: They made proposals four years ago that we could have supported.

Hon. Mr. Davis: They were almost in agreement with some of what is in our paper; not—

Mr. Martel: You are four years too late.

Hon. Mr. Davis: No, no; just a second now; no, no.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Davis: They still wanted the increase in price. With what happened to it afterwards, they still wanted the increase in price. The member can look back in the record.

Mr. Martel: They were prepared to do something different, but then you were befriending Alberta.

Interjections.

Hon. Mr. Davis: The single-minded free market advocates and provincial rights purists suggest that prices be allowed to rise substantially without any adjustment to revenue flows. This is what is being suggested by some. To me, this notion does not make sense economically and depreciates what our Confederation is all about.

Ultimately, if we are in fact one country, windfalls occurring to provincial treasuries can no more be exempt from national needs than those enjoyed by private companies. That is not a popular concept in the province of Alberta, but I restate it.

Mr. T. P. Reid: It wasn't very popular in Ontario a little while ago, either.

Hon. Mr. Davis: Oh, yes; this assertion, not only our opposition to world prices, is hotly contested by other governments.

The stark reality before all of us is that the differences over the pricing of crude oil really have less to do with energy policy than they have to do with conflicting aspirations and convictions about the management future of our Confederation. That is what really has, I think, come to the fore to a greater extent in the past few months than was the case in 1974-75.

An extraordinary and profound debate over what this country means is unfolding. I am not avoiding this issue. It might be more comfortable to avoid it and deal with the price aspect only, but that, to me, would be dangerous. The risks of dividing the country, as has been suggested in some circles in the west, I understand that. We understood it from the beginning. Certainly this concern has disciplined what we have been saying and was basic to our decision to put forward what some have described as a compromise position.

We have drawn a very clear line on price —I want no misunderstanding—and the reinvestment of petrodollars; but our position is not extreme and does recognize the interests of others as well as our own, and I think that has to be understood in the context of Confederation. I am absolutely convinced this is the right way to proceed.

Specifically, we urge the federal government, in the first instance, to negotiate with the producing provinces. Furthermore, we have not and will not propose that the federal government tear up the present agreement with Alberta and Saskatchewan and seize by way of an excise tax those additional revenues they had expected to receive in 1980. In other words, the agreement that has the dollar price increase in January 1980, we respect.

I regret the Leader of the Opposition (Mr. S. Smith) sees this as a soft bargaining position. I only wish he were there for part of the discussions. However, I am sure he doesn't really mean that.

Mr. Peterson: You could have used him.

Hon. Mr. Davis: I'm sure. I notice how well he did with his fellow Liberals out in Winnipeg. They loved him. I noticed how well.

I don't welcome any price increase in 1980. However, to deny the agreement that is in place for the right of the producing provinces to any further additional return on an asset owned by the people of Saskatchewan and Alberta would be irresponsible and would only weaken our security and our chances of success.

In acknowledging these realities and in seeking a new consensus rather than a uni-

lateral power play by the federal government we can appeal to the fairness and the citizenship of the people of Alberta, because we are trying to be fair and are determined to act as Canadians. Mr. Speaker, I hope I am properly representing the true spirit of our Legislature, at least on this matter.

It would be quite wrong to imply that our policy could not be implemented under any circumstances without the acceptance of the government of Alberta. It remains my hope that a voluntary agreement can be achieved as between the government of Canada and the producing provinces. Nevertheless, I stated quite clearly in our position paper of August 15, and I quote:

"It should be well understood by the federal government that it is charged with the responsibility and has the legitimate constitutional authority to avert an intolerable economic and social danger. If necessary"—and I underline the "if necessary"—"the federal government must use its influence and constitutional authority to direct oil and gas revenue flows in accordance with agreed and national objectives."

If that quite straightforward assertion of federal powers and responsibilities has been overlooked by anyone in this chamber, Mr. Speaker, I can only say to the members opposite, if they didn't see that part of the statement it didn't escape the Premier of Alberta and other premiers at the first ministers' meeting in August.

Now while I appreciate as well the sensitivities that they have on this matter, many of which I share, I feel this had to be said. I reject any suggestion that it is our intention to change the operating principles of Confederation. This has been suggested by some. As the Treasurer (Mr. F. S. Miller) said in Calgary recently: "We are not arguing for an extension of the federal jurisdiction, but we do believe it has the authority and, more important, the responsibility to protect the national interest."

I believe in the provincial control of resources as presently defined in the constitution of Canada. However, that control does not now, as I tried to explain the other day in the House, and cannot in future, override a compelling national interest.

Mr. Peterson: Who are you threatening?

Mr. T. P. Reid: How do you arrive at that?

Hon. Mr. Davis: I'm not threatening anything. I'm just telling the members what our point of view is. To isolate resources from the national interest come what may would enfeeble the capacity of the Parliament of Canada to protect in advance our national economy.

Premiers do consider the interests of Canada as a whole. They are good Canadians. But it would be foolhardy and I think even presumptuous for us to assume that we always know, as Premiers, what is best for our country. In the final analysis it is the government of Canada which accounts directly to all of the people of Canada. If it is to negotiate effectively and to govern well, others must understand its unique mandate and paramount authority to articulate the nation's interest. That's what a national government is all about.

Mr. T. P. Reid: Meanwhile he is giving away control.

Hon. Mr. Davis: Not control. One has to draw the distinction between control—that is the rate at which a resource may be taken out; the environmental controls that are used in terms of the extrication of that resource, et cetera—and the ability of the national government, as they have done. That's why we have prices today below world price because they have the constitutional authority, right, obligation to do what they are presently doing.

There is a distinction between control or management and the question of economic or national involvement by the government of Canada.

Mr. T. P. Reid: Was that a sham he's playing with—

Hon. Mr. Davis: No, no. Because they will still have the ultimate, as they have with Alberta—and this is what Alberta doesn't enthuse over, I'm sure you understand that; that's what part of the debate is all about. That's why Alberta doesn't agree to an amending formula that doesn't have total unanimity, because they're concerned about somebody deciding the majority that they amend with respect to the resource. That's what that debate is all about. I'm sure the member followed it carefully and understands it.

Interjections.

Hon. Mr. Davis: Last week in the Alberta House, Premier Lougheed stated that the future of his province will require a federal government that "doesn't look to protecting central Canadian industry, but looks to what's going on in the rest of Canada." I'm quoting directly from the Premier of Alberta.

Mr. Speaker, we're not wedded to the status quo in this province. We're not out to frustrate the development of western Canada, or to construct an industrial policy on the illusion of cheap energy. Indeed, I am con-

fident there is a consensus that we must be expansive in facing change, and that to turn inward would be futile and diminish the future of all of us.

We are not saints here in this province; I acknowledge that. Certainly we're not; the members over there, I am sure, figure they are.

Mr. Kerrio: You're not that far right.

Mr. Breithaupt: We are somewhat closer.

Hon. Mr. Davis: You do have that saintly look about you, James; you really do. You've had it for years.

Hon. Miss Stephenson: Cherubic, not saintly.

Hon. Mr. Davis: Cherubic.

We're not saints in this province, Mr. Speaker. But we have, as a people here, helped build this country. We have shared our abundant wealth with other Canadians in each and every region of this country and there have never been strings attached.

What I take exception to on occasion, as I discuss these issues with my counterparts in other provinces, is the feeling that in some way or other, Ontario has been the economic beneficiary of Confederation to the detriment of the rest of Canada. They always use automobiles, because you can buy an automobile in Brampton more cheaply than you can buy an automobile in Edmonton.

Mr. Kerrio: Where's Brampton?

Hon. Mr. Davis: Where's Brampton? It's 28.6 miles northwest of here, not too far from Norval, which used to be—well, it is a lovely community. Just a modest change in representation the last couple of times, but that will change again. It's a nice community, Norval.

I try to explain to those people who raise this with me that Ontarians paid more for their automobiles for years than the people in Buffalo, Detroit, Chicago—anywhere in the United States—until the automotive agreement. We paid more.

Mr. di Santo: We still pay more.

Hon. Mr. Davis: We paid more for a lot of things because we thought there was something unique and worthwhile about being a Canadian. If in this country we start to equate everything to the bottom line, then I think we are heading for some difficulty. Ontario has never taken the position that we want all of the economic activity concentrated in central Canada. I would argue, vigorously, that we have shared our good fortune with our sister provinces, because this is what Canada is all about.

I take exception to those who suggest that national policy should be predicated on seeing that central Canada now assumes a greater share of the cost. Our industries can compete; that is not the issue. They can compete in terms of the ordinary marketplace. But I argue very strenuously that when we have something that can be uniquely Canadian, in terms of a resource like energy we would be foolhardy as a nation to accept the concept of world price.

I know this flies in the face of a lot of economists and a lot of people who are far more knowledgeable in the world marketplace than I am, but I will continue to put this position very strongly, not only to the government of Canada, but to my colleagues in the other provinces of this nation.

As I say, it has been somewhat lonely, because the other provinces do not seem to share the same concern about world price. Perhaps it is because in some provinces they see resources ultimately being the same sort of asset to them as they presently are to Saskatchewan and Alberta.

I don't know the reasons, but I do know this: when the Fathers of Confederation sat together to develop the rationale for this country it was not formed on the basis of individual or regional economies. It was done on the basis of trying to develop a national, or shall we say a coast-to-coast economy, where people right across the country would feel some identity, would feel part of what was to be a great nation, and not really look at it in a totally provincial or regional context.

I say to the members of this House, this sort of debate isn't going to finish in the next two weeks or three months. It is very basic, not just as it relates to the price to the consumers but as it relates to the question of distribution fiscally within Canada and what this country is all about.

I am one of those who are optimistic, as I am on almost every issue, that we can as Canadians demonstrate those qualities to our friends and others; that the resourcefulness, the real anticipation of what Confederation was to be about, can in fact be achieved. It will not be done by a lot of rhetoric. It won't be done by suggesting to other people that they are less than good Canadians. It will be done, I hope, by an intelligent, logical, but somewhat emotional approach to this very basic issue.

[4:00]

I'm speaking now not just to members of this Legislature but particularly to people in the producing provinces when I say we are not saying in our papers that we do not re-

spect the rights of those provinces or their rights to a return for the resource that is theirs. We are saying simply there has to be more to Confederation than the bottom line of any provincial balance sheet.

In any consideration by the government of Canada as to the resolution of this, it has a responsibility to look at it, not just to pacify our interests or those of the producing provinces but to develop a policy that is national in context and which recognizes the unique opportunity that is available to us as Canadians. That was really the main thrust and direction behind that modest paper that was tabled some time in August for discussion here this afternoon.

Mr. S. Smith: Mr. Speaker, I shall try to address the number one issue of today, which is the energy problems facing Ontario. I shall try to address the last 33 minutes of the Premier's remarks, which were in fact pertinent to the matter and which were in many ways remarks that I can share. I regret the first 12½ minutes of his talk were basically devoted to what I regarded as attacks on me personally and on my character. It lowers the level of debate and I will not respond in this House at that level.

The first thing we should be very clear about in this Legislature is that the problem we have in front of us now is not so much an energy problem as a problem with regard to oil. Let's be very plain about this. As my colleague from Halton-Burlington has said many times, the crisis we're facing is not a crisis at the wall plug, it's a crisis at the gas pump and where we obtain our heating oil as well.

In electricity we are doing very well, to the extent that it could be argued we are doing too well and that we have built too much electrical generating capacity. But when it comes to oil, we are facing very serious problems in the province of Ontario.

The manufacturing base of this province and our provincial economy generally will be very badly damaged, if we have to continue to make very large transfer payments out of the economy of this province to other parts of the world and even to other parts of Canada. If called upon to pay a much higher price for oil in the coming year, we will face an almost certain serious recession.

The Conference Board in Canada suggests that no more than 10,000 new jobs will be created in this province in the coming year. If that were to be true and if that pans out as predicted, it would be an utter disaster for Ontario. To pile on top of that a large price increase for the basic commodity of energy would be a great blow to the economy and something from which we might never recover.

Let me put it to you this way, Mr. Speaker. The manufacturing industries in Ontario have to retool. We have to be competitive. We have to be able to have the latest in equipment if we're to compete on a worldwide basis. Because the Canadian dollar is down, some of our manufacturing industries have done reasonably well in the last year or so, but still not enough to make the investment which is absolutely necessary.

When Alberta refuses to consider oil and gas in its equalization payments, it's an interesting matter that it always points to the fact that oil and gas somehow are not renewable. Our manufacturing sector is not renewable either. Our manufacturing sector, once it becomes obsolete, once the machinery is not productive, and once it's not the most modern available in the world, is useless. An old piece of machinery which cannot compete with the latest equipment from Japan, western Europe and the United States of America is as useless as an empty oil well. We, too, in Ontario have need to replenish the resource which manufacturing represents.

As a consequence of that I think it's very important we recognize that for the next year at the very least—and probably a little longer than that—our manufacturing sector is being renewed. It has to be renewed or it is as useless to us as a depleted well which formerly held oil, gas, or anything else.

It's interesting that if oil, gas and other non-renewable resources were considered in the equalization formula, Ontario would have been the beneficiary this year alone of $1.4 billion. It shows, to my way of thinking, that wealth is wealth whether it comes from manufacturing, which can become obsolete, or whether it comes from oil wells which can become empty. It's still wealth. Under these circumstances, we have every right in Ontario to ask for consideration from the rest of Canada for a fair and equitable oil pricing policy.

The world price is an artificial price. It's a price established by the OPEC nations. Alberta is not a member of OPEC and should not act as though it were a member or even half a member of OPEC.

Saudi Arabia does not pay world price for oil inside Saudi Arabia. Libyans do not pay world price for oil inside Libya. Venezuelans don't pay world price inside Venezuela. And it's interesting that even in Alberta, where the Premier of Alberta says you have to have something like world price to encourage conservation, they don't have a road tax on their

gasoline the way every other province of Canada does.

Mr. Bolan: Leo, put the barrel over your head.

Mr. S. Smith: If they were that interested in the notion of paying high prices domestically to encourage conservation, how come they don't even have a gasoline tax to pay for the roads which their automobiles use? So they don't mind a two-price arrangement within Alberta, but they don't like a two-price arrangement vis-à-vis the rest of the world when Canada is concerned.

The idea on pricing put forward by the government of Ontario in the document entitled Oil Pricing and Security makes the statement plainly at the beginning that no price increase is desired. But then it devotes something like 20 pages to show how, in the event of a $5 increase, it might be acceptable to Ontario if the first $2 were treated in the old way of dividing up between the producing provinces, the oil companies and the federal government, but the next $3 should go into some kind of fund.

When the Prime Minister of Canada arrives to talk to his cabinet colleagues about Ontario's position and waves this document in front of the cabinet and they say, "What does it say, Joe?" the Prime Minister is going to say, "It says they don't want any increase at all, but if we raise it $5 it would be okay, provided $2 is treated the old way and $3 by some form of recycling the money into a fund." That's a natural and reasonable response which anybody reading this document is going to have.

I say that Ontario should not be taking a position which can in any way be interpreted as saying that a $5 increase might be acceptable, provided $2 is divided the old way and $3 the new way. A $5 increase is a disaster for Ontario.

Hon. Mr. Welch: The summary on page four of this document is quite clear.

Mr. Smith: The Minister of Energy points out that the summary is clear, and I accept that. The summary is clear that Ontario wants no increase but simply had nothing better to do than produce 20 pages as to how a $5 increase might be acceptable if divided the right way.

This is not just my interpretation; it's also the interpretation of Douglas Hartle, who came up with his own proposal on radio. He clearly understood the Ontario government was prepared to do business on the basis of the proposals in this book, including the idea that a $5 increase could be divided this new way.

I'm saying that was not a good strategy for Ontario to take when we're fighting for something as serious as the preservation and the survival of our manufacturing sector and our economy.

There would be nothing to talk about as far as oil prices are concerned if cheap oil were available to us for the foreseeable future. There would be no need to discuss it at all. Obviously, we would be in the same position as Venezuela or Saudi Arabia; we wouldn't even be talking about world prices or any kind of prices at all. We would take whatever advantage we could of our good fortune to have the oil and we would use it to our advantage. That's obvious to everybody on every side of the House.

The problem, of course, is that we are not going to have cheap oil available from the western sedimentary basin for very much longer in historical terms. The fact is that, little by little, we have become a net importer of oil and little by little that proportion of imports is growing. Right now it's about 30 per cent, but it's growing. The fact of the matter is that we're not going to have cheap oil available forever.

Consequently, at some point we will be exposed to the world price, if we have to import our oil—inevitably. Inevitably we are going to have to face world price when we import everything. There's a possibility that we will produce our own oil from the tar sands, from the frontier areas, and that may allow us to escape the world price. But we all know that the cost of production of that oil at the frontier and from the tar sands will be very high indeed and perhaps not totally out of the ball park of what is presently considered world price.

So, it is perfectly understandable that we are facing at some point—and not in the too-distant future—something like world price, replacement price. We could argue as to whether it will be OPEC price or whether it will be tar sands price, but a much higher price than we're presently paying.

Hon. Mr. Welch: It will be a Canadian price.

Mr. S. Smith: Indeed, as the Minister of Energy says, it will be a Canadian price and we fervently hope so. We hope and pray that we will be successful in our frontier explorations and that there will be further research in oil sands technology and all of that. But the minister must concede that when the cheap oil from the sedimentary basin of western Canada runs out we will be facing expensive oil, be it OPEC oil or be it a Canadian set price for the more ex-

pensive oil to be produced from the tar sands. He has to concede that.

All right, so the question we are facing is, should we keep the price of oil forever down as low as possible to gain a manufacturing advantage in the short run and then suddenly face overnight a need possibly to double the price of oil? Or should we expose our industries and our economy to some small gradual increase little by little, in anticipation of the fact that there will come a day shortly when we'll have no choice but to pay those amounts?

Of course, we have said, and I continue to say, that it's necessary to have some gradual exposure because otherwise we will be like dinosaurs. Otherwise, we will be used to using oil as though it were as cheap as water practically and the rest of the world will develop new ways of producing items which don't require much oil because they'll have been forced to do that. Their technologies will outdo our technologies the day that we are forced to pay the same price they're forced to pay, because we'll be used to using two barrels of oil for the same process that they've learned to do using one barrel of oil. We will be dead across the board in manufacturing.

We need to have some small price increase gradually to adapt ourselves in that regard. That's why it is not reasonable, ethical, or sensible for the government to give the impression, as it has over the years, including this year, that it wants no increase at all. There must be some increase, because we know that inevitably we're going to come upon an increase which will be too steep to swallow if we're not ready for that last step when it comes.

There's another reason why there has to be some increase. Because we're a net importer and because the OPEC nations have raised their price, we have to pay more for oil across the country, then all of us will have to pay more for the oil we use so that we can keep a balance and make sure that all of us as Canadians are starting from the same base price. That's reasonable.

But all that would require in this year is approximately 60 cents. If we were to pay 60 cents a barrel more, for instance, that would be all that would be required to bring the import compensation fund into balance. The question is, why are we speaking in terms of dollars when 60 cents could do it?

I'll explain why we're speaking in terms of dollars. First of all the reason we in the Liberal Party have suggested $1 in January and $1 in July is because we believe we have to have that amount of increase to make sure that we don't become obsolete in our manufacturing, to make sure we continue to get some price signal to modernize and keep up to date.

[4:15]

Secondly, because the money in the past has been divided up 45 cents of every dollar to the oil-producing province, 45 cents approximately to the oil companies and 10 cents to the federal government, clearly, if you are talking about raising 60 cents that way, Mr. Speaker, you are talking about a $6 increase. That, of course, is what the federal government is talking about.

But if the government does what we are suggesting and what the government should have suggested on behalf of Ontario—and what this House should be voting on now so we could express ourselves to the government of Canada—what we should have been suggesting is that the increase this year be entirely by way of federal excise tax without having to divide the money between Alberta, the oil companies and the federal government. Then we could easily accomplish the 60 cents we require to balance the price of imports and obtain some of the benefits required by having a slightly higher price, and obtain about a billion dollars to get started in the area of conservation and renewable energy.

That is what we are proposing that requires Alberta to forego an increase for this year; but, let's face it, its Heritage Fund will go from $5 billion to $6 billion this year, even without an increase. It also requires that the oil companies not get the $840 million which the Davis government seems quite prepared to see them get out of that first two dollars it seems ready to accept in terms of the conventional way of sharing oil price increases.

I feel our position is unassailable. Our position is something which the government of Ontario should have adopted, and if the government of Canada was truly looking at the interests of Ontario and the manufacturing sector here, it would say to Alberta, "For this year, Alberta, all the money is coming by way of excise tax increase and that is perfectly understandable. You are doing very well, but eastern Canada needs this break at this time."

But the government of Canada will not do that. When I say that what we see there are three Tories talking to each other, not wishing to do harm to their party, the Premier accuses me of a political statement. Of course it is a political statement.

But I say this to you, Mr. Speaker. A government truly fighting for Ontario would tell

the government of Mr. Clark that it should use the excise tax route to keep the increase at a minimum level and still achieve the federal objective of balancing the fund. In that way Alberta would, for a year, give Ontario some breathing space and our manufacturing sector space which we desperately need if our sector is going to be able to compete with the manufacturers of foreign nations, which so far have been beating us hollow.

What is one of the serious benefits of raising the price which we have not yet considered? One of the very important benefits, of course, of any price increase is that because the price goes up, one learns to use less of the product. It is important that we start using less because whether Alberta likes us or doesn't like us, or anything else, the world is running out of oil, never mind just Canada and North America. It is important that we get on to renewables and use less of what is becoming a depleting resource.

The other aspect, of course, which I almost touched on just now, is, as the price goes up, there is an encouragement to switch to other forms of substitutes for oil. Synthetic gas, for instance, is one possibility; synthetic oil or, as I suggested, fuel alcohol possibly—other substitutes which are expensive by comparison today but which, once the price goes up for the oil we are presently using, will look cheap by comparison and people will then use.

In a sense, that is a benefit of having a higher price. It is essential that we conserve and that we switch to renewables.

The Premier says the price shouldn't go up very much. I say the price shouldn't go up very much. If we are going to say the price shouldn't go up and we don't want the price signal, then what mechanism do we have to suggest for getting conservation under way and for getting renewables under way?

It is not good enough for the Premier of Ontario to stand up and say the price shouldn't go up and recommend absolutely nothing by way of mechanism by which we can make certain to conserve and make certain to bring in the renewables. He's got to have a substitute for the price signal.

If the price signal is not to be because it will hurt our economy very badly—and it will indeed—we must have some other mechanism. We hear nothing from this government in that regard. That is a shocking omission from the government.

I say we have to have mandatory conservation programs of the kind we suggested in the 1977 election. Does the Premier remember that? We said there should be mandatory insulation programs across Ontario. We shouldn't be heating the air outside our neighbourhoods using the scarce resources, the precious resources which our children would need.

What did the Premier say then? He laughed. He said, "Dr. Smith's program won't work. The government has no place in the attics of the nation." It was very amusing.

Mr. Bolan: Very original.

Mr. S. Smith: Very amusing indeed, but the laugh is somewhat hollow now as we look and see what has happened in these years, years when we could have been progressing in this way, but we did not do so because of a lack of political courage and political will on the part of the government of Ontario, which can yell about keeping the price down but do nothing about encouraging conservation and developing renewables that we desperately need.

Mr. T. P. Reid: Tired old bunch.

Mr. S. Smith: We need the building codes, we need the public transit approach, and of course we need the development of renewables. In this regard I can't let the moment pass without referring to this marvellous document, this slickly printed document, Energy Security for the '80s, which the Minister of Energy put out.

It was a marvel to hear him. A $30 billion program he said; $30 billion for some degree of self-sufficiency in energy. Wasn't that impressive? My, you could almost fall off your chair hearing that, $30 billion. Listen to what it is.

Fourteen billion for nuclear, which we passed I guess some four years ago, which is old stuff which we've known about before I even came into the Legislature. Then some $16 billion or so for renewables. I thought, "My goodness, $16 billion for renewables, they are really on their way that's fantastic, what an investment, what a sacrifice." He puts on his best preaching face and he says to the television cameras, "I know that $30 billion seems like a very big bite indeed but, you know, the stakes are high; the damage done to this economy by the payments we have to make is enormous," and I don't think he said this but what he meant was, we'll have to bite the bullet. My goodness, my heavens. He isn't ready to bite sunflower seeds, let alone bullets.

I tell you, Mr. Speaker, do you know what the man did? Nobody would believe this. What the man did was he got some kind of calculation as to—let's say there will be heat exchangers, just as an example, by 1995. He calculated how many heat exchangers are likely to be around in private use by then in

people's houses, figured out the cost of all these heat exchangers and wrote that down as part of the investment which is going to occur in renewable energy.

Mr. T. P. Reid: He took the credit for it.

Mr. S. Smith: But good grief, none of this is going to happen unless the rules are altered in such a way as to drive the private sector into that area, unless investments by government are done in such a way that instead of building more and more nuclear plants we start using some of that money to build the plants that could produce some of the renewable energy resources.

Unless we start to use government money the program is meaningless. It's obviously a sham, it's a farce. We have to have a genuine program. The people in Alberta are not stupid. I have just had, as the Premier well knows, some publicized debates with certain of our friends from western Canada within what has been termed the dissident faction—incorrectly termed, I may say—in the Liberal Party.

They want to know what we are going to do if we don't get the price signal. What are we going to do in Ontario, where we are such massive consumers of energy? What are we going to do to shape up? What are we going to do to improve our manufacturing? What are we going to do to get into renewables? What are we going to do to promote conservation?

To hand them this document is to invite laughter. It's certainly not going to invite co-operation. If we show them we are serious, and not by PR ploys, if we show them that we are serious some of them might be good enough Canadians to agree with us and to give us the break we need. But we can't get that from them with this kind of farcical document. We have to start putting money into renewable energy, vast sums of money into renewable energy, and quickly so. We can't get away with simply paying lip service to the notion in some pious hope that the private sector will in fact make the investment for us.

Mr. Roy: It's a PR exercise and the minister knows it. He is strong on PR. It reminds me of Krauss-Maffei.

Hon. Mr. Welch: I will bet you haven't even read it.

Mr. Roy: Have you read it?

An hon. member: Answer the question, Albert.

Hon. Mr. Welch: You haven't even read it.

Mr. Acting Speaker: The minister wants me to call for order.

An hon. member: Take five minutes and read it, Bobby.

Mr. S. Smith: I hesitate to disturb you, Mr. Speaker, but I have the feeling things are getting a little out of control here.

Mr. Acting Speaker: I will call for order and see if it gets any results. Order.

Mr. S. Smith: The blinding flash of insight represented by my remarks has obviously stirred the Minister of Energy to the quick. He's aroused and I feel we have to bring him under some control at this point, Mr. Speaker.

Mr. Breithaupt: He wrote it on two stone tablets; and that hasn't been done well for years.

Mr. Kerr: You should have seen him in Lewiston.

Mr. S. Smith: All right. What I say then, Mr. Speaker, is simply this. We have to have a policy in Ontario to get our manufacturing industry working again. We have to plead with the governments of Canada and Alberta to recognize the needs of the people of this province, but we have to show that we, too, are serious.

If we will defend ourselves against the price signal, as economists like to put it, if we will defend ourselves against the impact of high prices, then we should do so first of all, by proposing an intelligent way to do it. I believe I have, with regard to an excise tax of $1 in January and $1 in July.

Secondly, we should show how we are going to get into renewable energy and other substitutes for oil, right now.

Thirdly, we must have an enormous program of conservation tactics, things which the government has been unwilling to do up to this point.

We have to be very strong and resolute. We must speak with one voice from Ontario and let the Prime Minister of Canada know it's not just the question of him having to find some solution which does the least harm to his Tory colleague in Ontario, he has to find a solution that does the least harm to the people of Ontario. That's a vastly different thing.

Mr. Acting Speaker: The honourable leader of the New Democratic Party.

Mr. Cassidy: Thank you very much, Mr. Speaker. On behalf of my party, I welcome this energy debate and I speak today in the hope our proposals will be accepted by the government, even if the experience of the recent and the distant past doesn't give me entire confidence in that particular area.

The fact is the record of this province in energy policy is not encouraging and neither

is the government's performance. I say this to the Minister of Energy now the Legislature is back in session.

Today, the minister, who didn't know about it, had his colleague, the Treasurer (Mr. F. S. Miller), confirm the government has stripped $120 million from the Ontario Energy Corporation, a step which certainly runs against the stated intention in that blue paper of the government to have a new corporation that will provide leadership in the field of renewable energy. Yesterday, and then again today, the Premier has defended keeping Petro-Canada in the public sector, but it has taken him five months to do so and his terms are so muted I am not really sure Joe Clark has heard what the Premier has had to say.

Hon. Mr. Welch: He told Joe Clark last July.

Mr. Cassidy: Not in the terms we need to hear from this province, Mr. Speaker. Today and yesterday in the House of Commons, the new federal Minister of Energy said the oil supply situation in this province is fragile. That goes distinctly against what this Minister of Energy is trying to tell us in the province of Ontario.

The Minister of Energy has continued to steadfastly oppose making available to the Legislature and the people of this province, the essential information we need to judge for ourselves and which the businesses and consumers need to judge for themselves, as to whether or not we are going to pull through in terms of heating oil and gasoline supplies over the top of this winter.

On top of that, the Minister of Energy of Ontario tells us this province has no contingency plan in case there are shortages of gas or fuel oil over the course of this winter. "Let's rely on the feds," he says, "we haven't got a plan ourselves."

Mr. Speaker, no one doubts the importance of the energy issue, particularly when every family in Ontario is now spending more than $1,100 a year for oil which is imported into Ontario, mainly from the west, but what is open to doubt is the credibility of this government and its record in anticipating the energy problems we face as we move on into the 1980s.

[4:30]

How is it that up until now the government has concentrated almost its entire policy on building electrical generating capacity, giving us a system which has been developed so intensely that we have 20 per cent more capacity than even the outside forecast of what reserves are required? How is it that this same government is relying on a mythical free market to carry seven-eighths of the projected cost of increasing our commitment to renewables over the course of the next 15 years, $14 billion from the private sector and only $2 billion from the public sector?

How can we have confidence in a government which argues for $800 million more in revenues for the oil companies, even though the companies themselves admit they have reached their limit in terms of what they can now spend on exploration and development? How much confidence can we have in a government which argues for a national energy and employment adjustment program in the case of oil, but which in February 1978 resolutely turned its back on the chance to take windfall profits from uranium here in the province of Ontario and give them to the taxpayers of Ontario rather than to Denison Mines and Rio Algom?

You ask yourself about that inconsistency, Mr. Speaker, particularly when you see that, thanks to the generosity of this government and thanks to the financial security which has been conferred by the cost-plus contracts that have been given by Hydro to Denison and to Rio, Denison is now engaged in a half-billion dollar bid for Reserve Oil and Gas, a company whose oil assets in Saskatchewan and Alberta could have been of enormous importance in guaranteeing petroleum security for us here in the province of Ontario. The minister and his government left that in the private sector. We could and should have had that energy profit in the public sector to help protect Ontarians.

If this debate on energy focuses only on what Ontario should demand from the federal government, it will address only part of the problem. In stating in September that security of crude oil supply is Canada's number one energy problem today, the Minister of Energy is also only looking at part of the problem. The questions we should be facing are what can Ontario do to protect our own energy future and what should we have done by now?

The number one energy problem today for Ontario and for Canada is to improve the productivity of energy, the efficiency with which we use energy supplies, which are still relatively abundant by world standards. Our energy use per capita is higher than that of any other country. That is why it is so discouraging to have the government suggest that we go on as we were, if only we can ensure that the supplies are secure.

The fact is that the cost of replacement energy is rising so rapidly that we have to undergo some fundamental changes in the

way that we use energy. We have no choice but to make the most out of every unit of energy we use, and that is why productivity of energy has to have priority. Back in 1977, the Ministry of Energy said something very much in that vein when it concluded that investments and measures to increase efficiency and reduce energy demand are likely to be more productive in the long run than the supply investments which are displaced. But the record shows too many times that Ontario has gone in the opposite direction.

Just suppose that Ontario had supported Allan Blakeney four years ago, when he proposed the creation of a Canadian energy security fund back in 1975. That fund by today could have invested billions of dollars in windfall oil revenues, in helping this country towards oil self-sufficiency and in helping this country to make the investments that are required to ensure that renewables play a major role. If Premier Davis had supported Allan Blakeney then, rather than recycling him four years later, surely agreement among the provinces would have been far easier to achieve than it is going to be today, if only Ontario had not sat on its hands.

Back in 1977 this party proposed taking $200 million out of the inflated capital budget of Hydro and putting that money into projects which by today could be improving the productivity of energy use in Ontario; in other words, reducing the amount of energy we have to take in from outside of the province. We suggested low-interest loans to insulate 100,000 homes a year. We suggested building a pilot plant for methanol in northern or eastern Ontario. We suggested a subsidy for 20,000 home solar-heating units a year in the province of Ontario. Those are just a few things that could have been begun in order to put this province on to a different path in terms of energy policy and energy needs.

Those are lost opportunities, but they underline the fact that for Ontario to have credibility in the area of energy policy we must do everything we can and not just preach at others. Moreover, it's unrealistic to expect that rapid increases in price will do a great deal for conservation in the short term. I say that both to the government and also to the official opposition. That's because energy is an area where the market system just doesn't work with ease.

On the other hand, we don't have to wait for higher prices in Ontario to develop a genuine and strong commitment to more productive uses of energy. That's why this party rejects the position which is implicit in the recent Ontario paper on energy pricing that Ontario has to wait for the revenues from higher oil and gas prices before making any major commitment to conservation programs and alternative sources of energy supplies. That's what comes through from the document in the summer and that is what comes through from the document the Minister of Energy released just a few weeks ago.

If this province were to reassess its energy priorities competently, it would find ample resources to finance programs in renewable energy supplies and in conservation for many years into the future. We can't help feeling skeptical when the government puts forth initiatives for zero growth in crude oil demand but puts them forth as possibilities rather than commitments. People in this province are prepared to respond if they get leadership from the government of Ontario.

The potential savings are very impressive. In the US there are studies that suggest we could save 30 or 40 per cent of energy needs for primary energy consumption without reducing the standard of living and without major changes in personal habits. If they can do that with technical fixes in the United States, we can do that in this province as well.

I want to make some very specific proposals. I want to say very clearly to the government that it's not good enough to say, as it did until mid-September, that only two per cent of our energy needs by the turn of the century could be met by renewables or from alternative sources of energy. It's not good enough, as it says now, to suggest that four or five per cent of those energy needs could come from renewables but shove all the burden of meeting this target onto the private sector or onto the federal government.

It's time to reassess the amount of investment that Hydro is putting into electricity generation—the $1.8 billion that Ontario taxpayers will guarantee in Hydro's borrowing this coming year. It's time to measure that priority against the paltry $16 million this government is prepared to put into conservation and renewable energy this year.

I want to make some specific proposals, Mr. Speaker. First, insulation: we proposed it in May 1977; I'll propose it again today. A program along the lines of the Warm-Up Saskatchewan program which is now successfully in force in that great sister province of ours.

In Saskatchewan they're offering loans up to $1,000 for insulation, for weather stripping, and for improvements in glazing. We would propose such a program for single- and

multi-family dwellings in this province with a target of 100,000 homes to be retrofitted every year. If we had started that program in May 1978, one year after the NDP proposed it, we would by now have saved enough heating oil to meet the needs for 35,000 this winter alone. We'd have saved a lot of natural gas and electricity as well. And we would have created 4,000 jobs in the province of Ontario.

Building codes: it's about time we took the lessons of the Ontario Hydro building and Saskatchewan's Conservation House, models of their kind, and made them a norm rather than the exception in the province of Ontario. It's about time we had energy efficiency standards as part of our building code for commercial construction in Ontario. It's about time that we started to complete and enforce the energy standards for residential construction in this province.

We need those energy efficiency standards for all new construction in the province. They should include not just heat loss, but also the use of appliances and also the electrical load.

The Ministry of Energy has a computer program for evaluating the use of energy in larger commercial buildings. Why not make that a requirement today for all new commercial construction? Why not make the exceptions, like the Hydro building, into the rule?

Transportation: the Ministry of Transportation and Communications outlined a year ago a program that could have cut 10 per cent or 110 million gallons a year from our gasoline consumption for transportation in Ontario. The program talked about mass transit systems; about car and van pooling; it talked about special lanes for vehicles with many passengers; and it obviously made assistance to transit a key component.

This year the NDP proposed a transit ridership improvement program as a first step to improving public transportation in Ontario cities for reasons both of energy and equity. The Conservatives now talk so glibly about the need for improving public transportation but back in the spring they preferred to raise transit fares.

The commercial sector, the hotels and offices and stores of this province have experienced an enormous growth in energy use over the past decade, yet the potential for improving their productivity and using energy is enormous. In downtown Toronto, 22 per cent was saved with a project the ministry was involved in. There is a car dealership in Scarborough that has cut its energy use by 65 per cent. I visited a shoe factory in Picton which has cut its oil use by 90 per cent, thanks to the use of energy-efficient techniques.

These are still exceptions. They should become the rule. And it is up to the government of Ontario to provide positive direction, financial incentives and regulations where necessary, to see that that happens.

Hydro rates: Why do we have to continue with the discounts that are given to large industrial users who account for 25 per cent of Ontario Hydro's energy sales? If that discount rate is removed, they are given a powerful incentive to start saving on the electricity they now use. Beyond this, we should be looking at removing the discounts that make residential power cheaper the more you use, and penalize low-income consumers and people who tend to conserve energy.

Solar heating: it's about time this government brought in a series of measures to make solar heating on the same scale as nuclear power and oil and gas, and the other sources of energy which are so heavily subsidized in the province. We need a strong and active commitment, if any kind of target for solar heating is going to be met.

We think there needs to be continued remission of the sales tax on solar components. There should be grants to cover 10 per cent of the cost of solar heating installations. There should be low-interest, long-term loans on the remainder of the cost of solar installations. There should be legislation to protect sun rights.

There should be legislation to protect solar consumers against higher property taxes, and to ensure that the solar components sold in Ontario are of high quality and are reliable. We need to have sitting standards for new subdivisions to ensure the best use of available sunlight for passive and for active solar heating.

One of the welcome benefits of that strategy would be, again, to create jobs which we are in danger of losing because of the rapid increase in oil prices in Ontario. A solar strategy could directly employ almost 4,000 people by 1990 and 11,000 in Ontario by the turn of the century.

Methanol: two years ago we made proposals that methanol be experimented with in a pilot plant in northern or eastern Ontario. It's about time that plant got under way, Mr. Speaker, to use our forest wastes and give us an alternative source of energy to petroleum-based fuels from western Canada. We should be aiming to make commercial methanol production a reality in this province by the mid-1980s, but to date we have seen no action from the government.

In all this we envisage a much-expanded role for the Ontario Energy Corporation as a sponsor of research and development, as an investor in fields like methanol and production, and as a financing vehicle for conservation programs. Not a corporation to be cut to the quick, to be cut down by the Treasurer because he wants to find a few extra dollars, a vehicle for a major initiative by this government in the renewable energy field.

It is not encouraging at all to see the government neglecting the Ontario Energy Corporation. It is even less encouraging to hear the Minister of Energy talking about giving financial incentives—I couldn't believe it—to the oil industry to develop solar energy. Not only should we pay 60 to 140 per cent of the cost of their frontier exploration in western and northern Canada, but now we should allow them to get on the ground floor in the solar energy field at the expense of small Canadian-owned businesses that are establishing themselves in Ontario right now.

What about Solartech and Temperature Specialties and Enersol, companies which are struggling to develop technological sovereignty and production capability in this promising field, and companies which are already active here in Ontario? We say that the Ontario Energy Corporation should not be allowed to suffer the same fate provincially as Petro-Canada is now being threatened with at the federal level.

I want now to turn to the national questions which relate to Petro-Canada and to the efforts of this government's Conservative friends in Ottawa to move Canada very rapidly towards world price for oil. As I've said before, the government's position on Petro-Canada is confused. I say it's confused because every time somebody speaks about it they come up with a different position.

[4:45]

The Premier said yesterday that Petro-Canada's retail operations could be sold off and that Petro-Canada shouldn't be doing things the private sector could do better. But he also said that Petro-Canada needed the cash flow from refining and marketing to continue to carry out the national interests in frontier oil exploration and development. That's precisely the point that we in this party have been trying to make all along.

Forgive me if I sound a bit of a nationalist, but I think there's a lot of people in this country who would be proud if they could drive into a service station in Scarborough or up in Perth, or down in Windsor and buy a tankful of gas from a station that said Petrocan instead of saying Exxon, or Gulf, or BP, or some other of the seven sisters.

Bob Coates, national president of the Progressive Conservative Party, said: "Joe Clark, don't sell off Petrocan." I think Bob Coates has a better idea of what the people of Canada want than Joe Clark himself.

Petro-Canada is a tribute to what public enterprise can achieve when it is matched to a sense of national purpose. In just four years Petro-Canada has grown to be the largest Canadian oil company. Its assets approach $4 billion. The voices that support keeping Petro-Canada come from the oil industry, for God's sake.

Hal Wyatt, the chairman of the Canadian Chamber of Commerce—we couldn't accuse him of being a socialist—and Bruce Willson, a former president of Union Gas, say keep Petro-Canada, as does the Canadian Organization of Small Business—they're not socialists—and Bob Coates. Most important of all, two Canadians out of every three oppose the federal Conservative government's plan to dismantle Petro-Canada and this government has got to speak out on behalf of the people of Ontario and say absolutely unequivocally that every part of Petro-Canada is an essential function, it's all essential, and unequivocally Ontario believes that no part of Petro-Canada should be sold off or given away to the private sector.

The evidence, though, is that the federal Conservatives don't understand the problem or have simply decided that the shareholders of the huge oil companies are more important than the vast majority of Canada's men and women. How can this province of oil consumers, how can our federal Conservative MPs from Ontario justify giving away to the people of Canada something the people of Canada already own? How do we justify turning a successful national oil company into a welfare service for the multinational oil industry whose public arm keeps the losses and the debts, while the profits are transferred into the private sector?

Mr. Martel: That's Conservative thinking.

Mr. Cassidy: Doesn't this Minister of Energy find it rather chilling that Imperial Oil has taken over Petro-Canada's negotiations for oil supplies from Mexico? Remember Imperial, the company which last winter diverted Venezuelan supplies from Canada to other parts of its multinational empire? But now Joe Clark is saying, "That's okay. You can handle it. We don't believe we should have a real national oil company any more in this country."

The multinational oil corporations have held the Canadian public to ransom through-

out this century. Now, with Petro-Canada, we can protect ourselves. But the Conservatives up in Ottawa want to give the hostage back to the kidnappers, and we say that's wrong.

Mr. Speaker: I wonder if I might interrupt the honourable member for just a moment to do something that's required under the standing orders to be done before 5 p.m.?

NOTICES OF DISSATISFACTION

Mr. Speaker: Pursuant to standing order 28, the member for Ottawa East (Mr. Roy) has given notice of his dissatisfaction with the answer to his question by the Minister of Education (Miss Stephenson) concerning French-language education. This matter will be debated at 10:30 p.m.

Similarly, the member for York Centre (Mr. Stong) has given notice of his dissatisfaction with an answer provided by the Attorney General (Mr. McMurtry), concerning the integrity of the justice system. This also will be debated at 10:30 p.m.

Thank you very much. I apologize for having to interrupt.

ENERGY POLICY PAPERS
(continued)

Mr. Cassidy: I think it's no secret, Mr. Speaker, what I was to say next. As far as the New Democrats are concerned, we believe that Petro-Canada should remain as a viable, publicly owned and fully integrated national oil company.

We would like to see the Minister of Energy and the Premier telling Joe Clark it's about time Petro-Canada expanded its operations into eastern Canada rather than simply stopping at the Lakehead. We'd like to see Petro-Canada used as a means of guaranteeing that the small, independent oil retailers and service stations of this province are not frozen out into the cold by multinationals who are determined to drive them out of business and put self-service oil stations in their place.

Mr. Martel: Ask Fern Guindon the news they put to him.

Mr. Swart: Ask Robins Fuels of Fenwick.

Mr. Cassidy: If the Conservatives in this House won't be absolutely unequivocal about that, I ask them to explain how consumers in this province are better protected by letting Petro-Canada be transferred into the private sector; by letting it become a large oil corporation, just like the others, a large oil corporation whose duty to its private shareholders will have to come before its duty to the people of Canada, the people who paid for its accumulation of assets.

If this province were now to set a course of using our energy more productively, and if we knew that Petro-Canada was able to play a major role in defending our interests in petroleum, it would be easier to face with equanimity the question of future oil prices in Canada. But, as things stand now, we have a privately owned oil industry which is taking more than a billion dollars a year from taxpayers for exploration with no guarantee that there will be a return for Canadians.

We have our Minister of Energy estimating that from 1978 to 1995, primary energy use in Ontario will rise by some 50 per cent to the equivalent of 718 million barrels of oil a year. We have a government in this province which, for all of its brave talk about price, is in close alliance with the federal Conservatives and worked actively to get Joe Clark elected to power. Will loyalty to the power of their fellow Tories outweigh the interests of the people of Ontario? The jury is still out on that question.

But the jury in the market place, long ago, returned its verdict in the interest of the oil companies. You just have to look at the profits of the oil multinationals to understand that the oil pricing policies in this country are very much in the interests of these foreign-controlled companies.

Just take the first six months of 1979. Six of those companies, six of the seven sisters, Texaco, Gulf, BP, Shell, Imperial and Petrofina, had net earnings of $569 million in the six months to June 30, 1979. In the corresponding period of 1978 their earnings were $410 million, so they had an overall increase of 38.6 per cent in net income, the poor dears.

Mr. Martel: Poor beggars.

Mr. Cassidy: In the case of Shell, last year, I believe, it paid no income taxes at all but its profits were up by 53 per cent. In the case of Petrofina, poor dears, profit was up by 278 per cent.

Mr. Martel: Do you think they can stand it?

Mr. Cassidy: Look at the way, as well, that the taxpayers of this province, and of Canada, are making a massive contribution to the profits of these corporations by way of interest-free loans and deferred taxes. These same six foreign companies have a total of over $1.6 billion in deferred taxes as of December 31, 1978. In the case of Imperial, it was $577 million, more than half a billion dollars, in interest-free loans from the prov-

ince of Ontario and from the rest of Canada. Yet, the government sucks away a few million dollars from the energy corporation because it doesn't believe in getting into that line of business.

Mr. Martel: They're screaming all the way to the bank.

Mr. Cassidy: As I said, the jury is certainly in on oil company profits.

We in this party have made it absolutely clear that we're opposed to world price increases along the lines that are now being proposed by the Joe Clark government. The thought that the price will go up by $1 a barrel in January and by $3 a barrel in July is unacceptable to the New Democrats in Ontario.

The idea that Ontario Conservatives, or federal Conservatives, after all their history of subservience to the private sector, will be able to effectively tax windfall profits accruing to the multinational oil corporations is, frankly, hard to believe. The Liberals weren't doing it before and the Conservatives aren't going to do it either. But we have to say that this government's suggestions about protecting low-income consumers in Ontario are also hard to credit. It's not enough for Ontario to say that it hopes the federal government will do something. Nor is it enough to say that there should be a cushion for a year or so for people on low incomes but, after that, they will have to pay the full cost no matter what the hardship.

This government is saying that it will approve a $1 a barrel increase in the price of oil on January 1, but is leaving unstated what's to come next. As far as New Democrats are concerned, we believe that Ontario should oppose oil price increases because of the harm they will do to consumers, to industry and to jobs in this province.

We should be saying to the federal government that if the federal government is going to insist on raising the oil price there should be irrevocable commitments in a number of areas: irrevocable commitments that windfall profits not flow to the multinationals; that we will set our prices independently and not use the world price as a standard; that the proceeds of the price increase the federal government wants to impose are used to implement the creation of sustainable sources of energy and conservation; that those proceeds are used to protect jobs in industry as it becomes more energy-efficient; that those proceeds are used to permanently cushion low-income consumers as well as small businesses from the damaging impact of energy price increases.

The subsidies from the taxpayers to multinational oil companies for exploration and development; the minister knows they're as high as 140 per cent of the cost. When you spend a buck you get $1.40 back, if you're in the right tax bracket in this country right now. Those subsidies are so scandalous that they too must be restructured as part of any commonsense policy by the federal government. I look forward to hearing this government say that as well, if Joe Clark insists on carrying forward his ideas of oil price increases.

Those subsidies must be restructured so that when hundreds of millions of dollars of taxpayer's money go to multinational corporations—if that's to continue—people of Ontario and Canada will be repaid in reasonable prices, will be repaid in secure supplies and, most of all, will be repaid in real progress in bringing this foreign-dominated oil industry under Canadian control.

Mr. Martel: It's the only solution.

Mr. Cassidy: That's right, 80 per cent foreign-controlled, 75 per cent foreign-controlled. How on earth can we hope to run an oil industry, run an energy policy in Canada when the major source of supply is still under foreign domination and there's not a peep from this government? As far as the federal level is concerned, it's giving up Petro-Canada, the only bulwark we have.

Mr. Laughren: What a silly Prime Minister we have.

Mr. Cassidy: Ontario should also be insisting that the link between natural gas prices and the price of oil should be severed. This province should make its priority for natural gas clear by withdrawing its support for the new National Energy Board reserves formula which promises to allow export to the United States of a further two trillion cubic feet of natural gas. The issue is technical, but the NEB has changed its formula to allow two more trillion cubic feet of natural gas, of low-priced supplies from western Canada, to go to the United States. Ontario hasn't opposed that. Ontario's gone ahead and said, "Yes, the NEB is on the right track."

Mr. Martel: You sound like Joe Greene again: "If you don't take my oil, you can't have my gas."

Mr. Cassidy: That's right. As far as we're concerned, the lesson of the 1960s, when Canada sold off vast amounts of natural gas at bargain prices, must not be ignored.

In planning for our energy future, improvements in energy productivity are just

as important as what Ontario says to Ottawa. If we make our use of electricity more efficient, we can divert capital funds to more immediate energy needs. If we invest in saving oil or natural gas, we can extend the life of our current supplies and postpone the transition to higher cost reserves. If we invest in renewable energy technology, in research and development, we can create jobs in Ontario and start the transition to an economy that's based largely on sustainable sources of energy.

Exhortations to the federal government are not enough. Hand wringing over oil prices is not enough. We've got to have more than words. We need action here in Ontario by the government of this province.

Hon. Mr. Grossman: Mr. Speaker, I am of course, pleased and anxious to have an opportunity to contribute to this debate on the energy supply and price problems faced by Ontarians and, I suppose, as we sometimes tend to forget, Canadians generally. As all members of this House have acknowledged, the issues of crude oil supplies and the security of their supply are questions which are of paramount importance to the people of this province and to the people of Canada as a whole.

[5:00]

It is, of course, entirely appropriate that the elected representatives of the people of Ontario have indicated their concerns here in this Legislature: their concerns about the amount of any proposed price increase in crude oil, about the various methods of imposing future price increases, about the timing of those price increases, and about the whole question of the disposition of oil revenues and their possible very great impact on the nature and level of growth of this country.

These issues are complex. All three political parties in this House have differing formulae on how we might deal with the issue of pricing and distribution of oil revenues, although sometimes one has a greater deal of difficulty ascertaining the views of the opposition. Nonetheless, I think our overriding concerns are fairly clear.

Firstly, our concerns specifically are: (1) the timing of any increases; (2) the direct and indirect economic impact of an oil price increase; (3) their possible effects on the future health of our manufacturing industries; (4) the lack of any national adjustment program that would ensure there is minimum damage to our economy.

On the question of timing, I believe it is important this Legislature now express the clear view that it is not now the time to go beyond the $1 per barrel increase scheduled for January 1, 1980, that was previously agreed upon between the federal government and the producing province. The simple fact is our Canadian economy just can't take an increase greater than that at this time without some severe potential of hardship.

The hard, cold reality is that there is now a recessionary situation in the United States and the economic condition will likely continue over the next period of time. The impact of that, of course, will be to slow the rate of growth of our own economy here in this province. With the United States facing the prospect of a negative real growth for the rest of 1979 and the very strong possibility of an eight per cent unemployment rate in 1980, the demand for Ontario-produced goods in our largest traditional export market may be expected to decline.

My concern, of course, is that if oil prices are raised significantly the economy of this country would have to bear the cost of adjustment during a period of economic downturn, while at the same time we are just now beginning to make the necessary adjustments to the widespread changes in tariffs in the trading environment following the Tokyo round of the General Agreement on Tariffs and Trade negotiations.

Mr. Kerrio: It sounds like you are on our side there.

Hon. Mr. Grossman: You have been trying to jump on our position the last few days. I can't help that. You are jumping to the most popular position day after day. You are just proving our position is popular and that is because it is right. I can't help it. We're used to you piggybacking on us.

Mr. Speaker, I would like to deal with some of the direct, clear effects of an increase as high as $5 per barrel.

Mr. Kerrio: Funny you should use that figure.

Hon. Mr. Grossman: I don't want to read that the Leader of the Opposition once again is not only accusing us of this, but stating it as though it were a fact, that this government is supporting a $5 per barrel increase. I want to choose my words very carefully.

Mr. J. Reed: You stand accused.

Mr. Cunningham: You supported Clark.

Hon. Mr. Grossman: If you want to go on that basis, you fellows supported Trudeau and you know how fast he wanted to move them up. You couldn't wait to embrace that. Now that he has gone, where are you going?

Mr. Cunningham: It was convenient on May 22, but it's not convenient now. You can't have it both ways. He didn't know what his policy was on May 22.

Hon. Mr. Grossman: Who didn't know what his policy was? He didn't know what his policy was, you didn't know what his policy was; but we sat here and listened to you jumping for a world price for oil for two or three years until it looked like it might happen. Then you got scared of the issue. Then you moved somewhere else, Lord knows where. I'm not sure where you are today.

Mr. Haggerty: Joe picked that up, and then he loused it up.

Hon. Mr. Grossman: Except we know you are trying to embrace our policy papers because they seem to be going well for us.

Mr. Speaker, the direct effects of an increase of $5 per barrel, which we are not supporting but fearing, would be as follows—

Mr. Kerrio: Three dollars for Frank Miller.

Hon. Mr. Grossman: —a regular negative income gross of minus one; a 2.2 percentage point jump in the consumer price index; an increase of over $1.5 billion in Ontario's total oil and gas bill; and a direct home-heating and automobile-operating cost increase of $220 per year for a typical Ontario family.

Aside from those immediate, direct costs of rising oil prices on the economy, we must not forget that there are potentially far more serious and more harmful indirect costs which can result over the longer term. These indirect costs would include: the effect on consumers' demand and purchasing power; the effect on inflation and the resulting pressure on wage bargaining; and of course, the effect on investments.

A $4 per barrel increase in the price of oil, with natural gas indexed, effectively removes $4 billion from the purchasing power of Canadians. It affects consumers in every province. In effect, it is a tax, a tax which reduces the purchasing power of Canada's citizens immediately and, of course, helps to create double-digit inflation. The problem is that economic growth would be cut because purchasers would obviously have many fewer dollars to spend and, thus, consumer demand would be reduced.

Mr. Peterson: Is he trying to convince us?

Hon. Mr. Grossman: Inflation would also be aggravated by rapid oil price increases because workers, understandably, would demand wage increases aimed at recovering the costs of energy, increases which could not be paid for out of the Canadian economy unless we had dramatic improvements in productivity at the same time. Of course, we are not going to be able to achieve the increased productivity we would have liked because of these very same oil price increases. Consequently, a wage-price spiral almost certainly will follow.

Also, it is important to understand just how great an impact this type of increase in the price of oil would have. Because there is some consideration being given to doing it in one fell swoop, we have a situation where, instead of phasing certain inflationary elements into our economy, we can take our current inflation level and add a clear, identifiable portion to it.

I think history will record that when there is that direct, invisible increase on top of our already extant inflationary rate, that in itself tends to have a more direct and clear impact on the inflation psychology and the demands of people to try to keep up than would be the case if it were more subtly done and introduced over a longer period of time. This is not to say that choosing the second method is good, but simply to say that an immediate, one-fell-swoop type has more dramatic and worse implications in terms of inflation than the latter.

In relation to wages, Canada has only recently recovered from a situation in which unit labour costs were above United States levels. The depreciation of the Canadian dollar and the commendable moderation in wage demands assisted this recovery. However, that moderation has resulted in an erosion of real income gains which I suspect labour will not willingly accept much longer in the face of further oil-price induced inflation. Rapidly increasing oil prices will no doubt lead to pressures to recoup the wage-earners' position, pressures which will intensify where oil price rises substantially increase the rate of inflation. It must be stressed also that reduced demand, completed with a higher rate of inflation, would have serious consequences for our much needed new investment, investment which is so crucial to improving the competitiveness of Canadian industry and to realizing the necessary real income gains for all Canadians.

The two key determinants for investment, one the rate of return and secondly product demand, would both be reduced respectively through the inflation and reduced spending that would be brought on by increased oil prices.

Mr. Peterson: You are giving us a grade eight economics report.

Hon. Mr. Grossman: When you are listening, I have to do it to that level.

Now, Mr. Speaker, if there are to be increases, it is in the interest of all Canadians to have the assurance that we can adjust to those increases without creating irreparable harm to our economy and without causing difficult adjustment problems for our manufacturing enterprises. Within the nationwide debate taking place right now, and in the debate taking place here in this Legislature, Ontario can and should speak up for manufacturers. It should be an advocate of the kinds of policies that are needed to permit our manufacturing base to grow, just as Saskatchewan will speak for wheat, the eastern provinces for fishing, and Alberta for oil price increases.

We have to emphasize that we are not against the improvement, upgrading and diversification of other provinces economies; but from Ontario's view and, indeed, from a national view, I must say that for too long here in Ontario we have somehow been resented for, and too often have fallen into the trap of apologizing for, our manufacturing strength and our geographical location which gives us that manufacturing strength.

We do not resent Alberta's oil, or the Maritimes fisheries; but neither will we allow them to think that we achieved our manufacturing strength at their expense. We didn't. Indeed, we have shared, and will continue to share, the benefits of our manufacturing base.

I understand in its own self interest the province of Alberta wants increased oil prices. If increased oil prices in fact occur, then, Mr. Speaker, Ontario must play a national role in ensuring maximum benefits for all Canadians. We feel that this is achievable through proper timing and the use of any additional revenues.

Let's have a quick look at manufacturing in Ontario. It employs more people than agriculture, mining, forestry, construction, finance, insurance, real estate and transportation combined. About one million people, or 25 per cent of all the jobs in Ontario, are directly involved in manufacturing. For every 100 jobs in manufacturing, there are about 68 other jobs, it is estimated, created in service, support and supply work through the various linkages that exist in our economy.

The fact is, Mr. Speaker, that over the next number of years, manufacturing will, if anything, become even more important as an employer in this province. So a growing share of the new jobs we need must, and we believe still will, come from manufacturing.

The fact is that until the last year the trends in manufacturing employment were not all that encouraging. There was good growth in manufacturing employment in 1978, but previous to that there was an actual loss in manufacturing employment in this province in the previous two years. The growth in manufacturing employment in Ontario and across Canada would most certainly be jeopardized by significant oil price increases.

There is, therefore, a need for governments to develop and apply sensible strategy that will help our manufacturing industries to build the industrial strength that will be needed to compete throughout the 1980s.

I think it's important to understand that while we argue the case for manufacturing, which is indeed our mandate and our responsibility, we are not simply arguing a one-sided case on behalf of our manufacturers. We, as a government, recognize that if Canada is to prosper, we simply cannot permit a balkanization of the various sectors of our economy.

We cannot have manufacturing somehow competing with farming, fishing competing with energy, or pulp and paper competing with mining. Each of these sectors is important to our overall economic strength and each must grow. The challenge, of course, is to marshal all of the resources of this country, including our energy resources, to permit each to grow.

[5:15]

An hon. member: What they need is another Manning out in Alberta.

Hon. Mr. Grossman: I will tell the House what we don't need in Alberta. We don't need this fellow, Mr. Taylor, the leader of the Alberta Liberal Party. He was kind enough to say at this vaunted meeting in Winnipeg where the Ontario Liberal leader went over so well, "Albertans don't want to pour money endlessly into poorly-run central Canadian industries merely to keep a bunch of incompetents—or even worse, foreign subsidiaries—going."

That's the kind of Canadian we need. That's great stuff. That is the Alberta Liberal leader. I am glad the member found an opportunity for me to get that in.

Mr. Ruston: He's an Alberta Liberal.

Mr. Conway: You are a fifth-column Tory.

Hon. Mr. Grossman: Our manufacturing sector in Canada is, unfortunately, energy inefficient compared to our major competitors. The facts are our existing industrial mix is very energy intensive by international standards. The fact is that higher

energy prices have left Canada with a substantial part of our capital stock and existing plants energy inefficient when compared to our major competitors in other countries. Also, unfortunately, comparatively little research and development until now has been done by our industry on renewable energy technology.

Mr. Laughren: And you're proud of it.

Hon. Mr. Grossman: I am proud we are now beginning to see a response, as the Minister of Energy indicated in his paper last week. I am proud to say there are many approaches being made to our ministry for assistance in doing this. As always, both the employment development fund and our regular on-line ministry programs are available and beginning to be used by our manufacturers to get into those energy technological developments.

In the light of the fact that energy-efficient techniques and products have been introduced by Canada's major trading partners, it is clear our industry must adjust if it is to remain competitive in our increasingly energy-conscious world. The potential for increased energy efficiency is, as the Minister of Energy has said, substantial, but it can only be realized by increasing substantially the expenditures on new energy-efficient products and processes.

My ministry has conducted a study of the financial investment required in a number of industries that would enable them to adjust to higher energy prices through the acquisition of new energy-efficient capital equipment. The investment requirements are enormous by any standards. The size of the total investment involved for industry to adjust to, say, a $4 per barrel increase is in excess of $1.8 billion.

For the four heaviest industry energy users —the food and beverage industry, paper, primary metals, and chemicals—the estimated investment required to offset an energy price increase of $4 per barrel is over $1.7 billion. However, increased oil prices also, of course, bring with them new opportunities—opportunities to develop these new energy-efficient products and techniques. To take advantage of these opportunities, Canadian industry must substantially increase their expenditures on research and development.

As this House well knows, as a percentage of total output our present rate of R and D spending is less than half of that of West Germany or the United States. In terms of total dollar investment in R and D, Canadian research and development spending simply does not compare with the resources being deployed for those purposes by other nations.

Clearly then the cost of adjustment for our manufacturing industries is enormous. What is urgently required are government strategies designed to assure that capital expenditures are encouraged on research and development and on increasing our industries' energy efficiency.

The fact of the matter is that Canada needs a coherent policy directed to help key Canadian industries to adapt to the increased cost pressures that will result from increased oil prices and to take advantage of new energy-related opportunities. I'm not talking about a program to prop up inefficient industry.

Government revenues generally, including oil revenues, should not be squandered in support of fundamentally inefficient or declining industries. We never said that. Throughout Canada our resources should be used to reinforce the position of our competitive sectors needing unusual and temporary aid to adapt to abrupt changes in production, transportation and other costs.

This approach parallels the position that this government has taken on gas adjustments. We believe that the assistance must be carefully directed and must be timely and temporary. Therefore, in addition to the gas adjustment program we have been seeking, we also need a national industrial energy price adjustment program.

We believe that the federal government would be prudent, if prior to any decision on the amount of any added price increase on July 1, it undertook to: first, monitor and assess the impact of the United States economic situation on the Canadian economy over the next few months so as to ensure that the amount of any July 1 increase is adjusted to the realities of what the economy can handle at that point in time—

Mr. Laughren: That's obvious already. We know that.

Hon. Mr. Grossman: —second, develop a comprehensive energy and industrial adjustment strategy that can go into effect by that same July 1, 1980, date and make a final decision on the mechanism for finding the new capital required to fund an adjustment program.

Mr. Kerrio: He can't even find his luggage.

Hon. Mr. Grossman: Clearly then the federal government ought to ensure that measures like an adjustment program are in place prior to any decision on the extent and timing of future price increases.

Mr. Haggerty: What are Sinclair Stevens' views on the uranium cartel in Ontario?

Hon. Mr. Grossman: I think it's important that if we are serious about trying to create a strong set of national policies for economic growth, we have to bring to that discussion as well a sensitivity to the desires of other provinces to build their own capabilities, based on industries in which they enjoy an existing or potential strength too.

Ontario has always recognized that the producing provinces have a right to a fair price and, indeed, an increasing price as their supplies become more expensive to secure. But it should also be remembered that Ontario has over the years indirectly, but quite willingly, contributed a large share of the expenses of Canadian nationhood. Through revenues raised from our workers, consumers and businesses, we have supported federal regional development efforts in all parts of our country.

Transfer payments have gone from Ontario to help provide services in lagging areas throughout this country. Even now our major revenues, paid through the federal treasury, are offsetting drilling subsidies for new oil supplies in Alberta. We have assumed our responsibilities as a well-to-do province within Confederation without hesitation and without regret.

The cost of oil exploration in the west and environmental safeguards along our ocean shores are quite properly being borne by all of us. For this arrangement to continue to mutual advantage, we must also share the benefits.

We must be able to expect, therefore, a secure supply of western and eastern energy and some excellent consideration on matters of price. More than that, what Ontario is saying is that energy in total, our entire supply of energies gleaned from this great nation's natural resources, is a great and important national tool. It is a strength, in fact, few nations have. If we fail at this point in time to marshal those vast resources, to use that great national tool—

Mr. Nixon: It sounds like a leadership speech.

Hon. Mr. Grossman: —for the benefit of all of our common wealth—

An hon. member: Did the public pay for this speech?

Hon. Mr. Grossman: —then we will have failed as a nation.

Mr. Haggerty: Your best friend in Ottawa was Trudeau.

Hon. Mr. Grossman: We do believe the federal government has the authority and—let us be clear—the responsibility to protect those national interests it has been charged to serve by the electorate across Canada.

Mr. Laughren: Oh? Hyperbole now.

Hon. Mr. Grossman: The Ontario government has taken what we believe to be a wholly constructive position on the question of the distribution of any new oil and gas revenues.

Mr. Haggerty: Your best friend over there in Ottawa was Trudeau; your worst enemy is Clark.

Mr. Deputy Speaker: Order.

Hon. Mr. Grossman: You know the feeling, don't you?

We have pointed out the potential magnitude of the eventual flows of oil and natural gas revenue—

Mr. Kerrio: You're going to find out what it's like.

Hon. Mr. Grossman: —is such that unless the federal government addresses the issue head-on, the country will be severely strained in both economic and social terms.

Mr. Nixon: That's fine, but what are you going to do about the island homes?

An hon. member: Larry's going to buy them.

Hon. Mr. Grossman: The fact is a national issue needs national leadership.

Mr. Nixon: Let's play some hardball on that one.

Hon. Mr. Grossman: It's always better than softball.

The fact is the distribution of government revenues across Canada is now severely unbalanced. As a result, the equalization system that has served us for many years is no longer anywhere near as effective as it used to be.

Petro-dollars, not constitutional lawyers, are rewriting our federal system. Without a referendum or a mandate, these money flows are quickly destroying the authority of our federal government to pursue its historic responsibility.

Mr. Laughren: That's Frank Miller's line. Who writes that stuff?

Hon. Mr. Grossman: Doesn't the member wish he knew?

Simply, the goals of shared economic opportunity, nationwide social advance and adequate employment growth without rapid inflation may soon be unattainable.

As members of this House know, the fiscal imbalances between the provinces have already grown dramatically since 1973. The Alberta Heritage Fund has now accumulated almost 5 billion, of which our consumers

here in Ontario have contributed approximately 29 per cent.

Mr. Grande: Where's the Ontario heritage fund?

Hon. Mr. Grossman: A further price increase in the range of $4 to $5 a barrel would mean a massive shift of $4 million to $5 million per day from consumers to producers. If that kind of shift in capital occurs, the federal government must understand it will have created a situation in which our national economy will have a great deal of difficulty recovering from.

The federal government must develop some type of an adjustment program that recognizes both the rights of consumers and producers. Mr. Speaker, may I say that—

Mr. Peterson: In closing.

Hon. Mr. Grossman: I never dare say that; they applaud when one says that.

May I say I was interested, though not surprised, to hear earlier in the debate today all the comments about "kissing cousins" and the suggestion that this government would somehow get into bed with the other Conservative provinces and the federal government. I think it is interesting to note this policy initiative taken by this government was taken early on in the new regime in Ottawa. There was no suggestion that even a honeymoon period was allowed. Indeed, if this government had followed a different path and opted for any one of the other alternatives the Premier outlined at the start of his remarks this afternoon, then the accusation we were getting in bed with our friends or making life easier for them would have some validity.

Mr. Nixon: Start low, finish high.

[5.30]

Hon. Mr. Grossman: We must.

I remind the members of this House that this government developed a comprehensive policy; did not hide it in a drawer until a federal-provincial conference came along; did not let it lie in the woodwork but brought it out here on the floor of this House; took it to Ottawa; spoke about it in places across this country and took it forcefully to the federal government.

Clearly, the position of this government is having an impact on those decisions, as indeed it should.

Mr. J. Reed: You don't believe that.

Hon. Mr. Grossman: I remind members that one of the reasons we take this course, urge these decisions and have followed this pattern of dialogue with the federal government is to drive home to them the importance of the decisions they're making, not just to Ontario, not just to Ontario's manufacturers, not just to Ontario consumers, but to consumers and manufacturers, indeed to citizens throughout this country, no matter what province, whether it is a producing province, a consuming province or a province that relies on fisheries, wheat farming or whatever. These are national problems and national challenges requiring appropriate national leadership of the type that the government of Ontario is showing right here.

Mr. Peterson: If the honourable minister is finished with his speech, perhaps he could pass it down the row because someone else is going to want to study it before he reads it.

Hon. Mr. Grossman: I suggest you read it.

Mr. Peterson: It's interesting what the Premier has done. He's arranged two bookends for the front bench. They're about matching in size, matching in width and matching in charm. They are two diminutive members. It's so aesthetically arranged, with all those comic books between them.

Unfortunately, from the way we have organized this, I have only 10 minutes and I want to hit some of the high points. I am very happy this debate is taking place today. It's long overdue. It's the first time I recall that we've had a meaningful discussion on an issue like this, even though it's been systematically repetitive from the government side so far.

Interjections.

Mr. Peterson: This issue is one of the most significant issues that we as legislators will ever have to deal with. It's something we've failed to deal with. We failed to see the signals collectively in 1973 and 1974, as these problems started to escalate. Now the things we do collectively are going to set on course a pattern that is going to very much influence the destiny of our children and the people who come after us. It's going to take some very hard decisions.

I can tell you, Mr. Speaker, that I don't think the government has effectively made that decision to bite the bullet and do the tough things it is going to have to do. We have had a series of reactions by this government over a period of years. Do members remember those famous 90-day price freezes just at election time? Remember the famous blended-price proposition of this government? It was systematically hooted out of every hall it had ever been presented in. We've seen a whole series of politically-inspired initiatives in response to a particular set of circumstances at a particular time, but

I have yet to see a cohesive energy policy. I have yet to see an appreciation of the fundamental difficulties and a recognition of the price we are going to have to pay.

The minister tried to make some noise about that a couple of weeks ago with his new $30-billion policy. Anyone who read that was left flat and disappointed. We all thought it was a progressive move to appoint this man into the Ministry of Energy. But let us not forget that we in the opposition have argued continually—certainly since I've been in the House and before—that the Ministry of Energy should be one of the central ministries in this province, if not the most important ministry after the Premier.

They responded with a series of people who were either on their way up or on their way down. No one of substance has been put into that job. When we looked at this last appointment, we said perhaps we have a man with clout—

Mr. Nixon: A heavyweight.

Mr. Peterson: —a heavyweight, who is going to contribute something substantially, as opposed to just keeping the government out of trouble. So far that's all he's done. He has not shown very well. I take the charitable view. Let's give him another week or two to get a grasp on that portfolio, even though in my judgement it is a pretty insignificant one at the present time, certainly from the way it has been run.

We have always argued that the Energy portfolio is an extremely important one, given Ontario's particularly vulnerable situation as the highest per-capita energy consumers in the entire world, and given the fact that we import about 80 per cent of our energy. In addition to that, we are running about a $9 billion to $10 billion bill—roughly 10 per cent of the gross domestic product of this province—and 80 per cent of that being imported from other places.

That is a serious set of circumstances and I, for one, don't feel the problem is going to be solved just by carping that the other people shouldn't raise the price, or we must need another year or two to put off the inevitable consequences. It is historically inevitable that we will go to world prices. I don't like it and I'm not at all happy about it. But we on this side of the House have always had the courage to say it's going to happen, rather than just feeding people pap you think you might be able to sell at election time or some other time politically to your advantage, and trying to fight off the wolf at the door. The wolf is at the door, and he's starting to come in the door.

Had we had the vision, had we put the same energy into some programs we had into political rhetoric four or five years ago when we had all the signals, we could be further down the road than we are today.

Any energy strategy in this province has to be necessarily a defensive kind of strategy. Obviously, we have to worry about supply. We have to worry about pricing. All of those things are important. They've been very ably dealt with by my leader already today. My colleague, the energy critic, will deal with some of the alternative sources of energy. But we do have certain indigenous advantages here, and we should be taking advantage of them. My colleague will talk about those.

I say only that the whole orientation of this ministry is wrong. Rather than just a policy secretariat that has become extremely rigid, as I see it in the last little while, this ministry has to take a far more activist role.

I for one very much regret the virtual dismantling of the Ontario Energy Corporation. I think that could be used extremely creatively in our own interest. There are a myriad of things that can be done with that—from encouraging renewable forms of energy to encouraging exploration here in our own province to working with some of the resources that we have—because we still do have some. I hate to see that company raped.

I do not like to see the deputy sitting as chairman of that company because that's a total mistake. Let's get someone who is imaginative; let's get someone who is creative; let's bring some "free enterprise mentality" into that kind of company. Let's work with private enterprise in this province to create renewable grants for research and development, renewable forms of energy, grants to individuals, and all the myriad things I can think of that we have argued about for years in this Legislature.

A year and a half ago in the budget response we came out with a 30-point comprehensive and detailed energy strategy which is financially-related in that every dollar we save is a dollar that creates more jobs in this province. But to have as your strategy only a posture that wails against someone else—in this case Ayatollah Lougheed from the west—is not going to get us very far.

I wish, fundamentally, there was an honest realization of the facts and what's going to happen next year and what's going to happen the year after that. Then we can honestly deal with the problems. But until we have that fundamental realization, I am despondent about moving not only the government bureaucracy, but private enterprise

and all citizens of this province, into the right course of action.

We have had the courage, I say with some pride, to advocate extremely tough compulsory conservation measures in this province. The Premier's response is, "Do you want the government in the attic of the bedroom?" It's a very catchy response, but indicative of a lack of fundamental awareness of the problem. I blame the Premier for putting them into that job; for not realizing himself the seriousness of that portfolio.

I want to say a couple of words about the oil pricing matter. I regard it not as a question of if it's going to happen or not; it's a question of when and how much. But the fundamental question is who gets it and what we are going to do with it collectively as a nation, and what share the other provinces are entitled to.

I read the projections that Alberta will have something like $25 billion or $30 billion or $35 billion by the end of the '80s,—it's already the largest pool of free capital in the western world invested in short-term securities. It's the most embarrassing position for the Treasurer of Alberta today, because he doesn't know how to invest it. It's such a disruptive pool of capital, because they have trouble finding places to place it on a short-term basis.

I assume—I take him at face value—they're looking for long-term placements for that kind of money. They are prepared to lend it to other provinces. All that means, of course, is that the province of Ontario will end up in debt to Alberta, rather than to the Canada Pension Plan, or various insurance companies in the United States. It doesn't fundamentally change our position, because our position today is a very difficult one.

The imposition of extra price increases which we are going to have to take and absorb are going to be highly disruptive. We are facing a 0.7 per cent real growth in this province this year, when our prospects for the immediate future are not particularly optimistic. When we don't see any particular light at the end of the tunnel, then we are facing another series of wrenching adjustments. That is why I come back and say to the government, we need a defensive strategy, we have to be tough, and we have to do it now. We have to adopt many, many programs, all of which will affect the total problem a little bit, at least.

One of the things I said I wanted to see resurrected as a functioning, viable unit is the Ontario Energy Corporation. I also want to see a massive program of oil-to-gas conversion here in this province.

I have just bought a new home, Mr. Speaker, and I tried to convert it. If I told you all the problems I had to go through with Union Gas and your dear friend the former Treasurer—it has the most inept organized program I could possibly imagine.

Union Gas won't even take out the oil that's sitting there. There are 200 gallons of oil. They won't pump that out. There's no return value for your old furnace.

What I'm saying is they make it so difficult to convert, when the government should, as a matter of public policy—and Union Gas surely should; it wants to sell gas I would assume—make it so much easier. I can tell you, Mr. Speaker, most people facing those kinds of problems are going to give up and say, "I will stay with oil."

I can't imagine an exclusive distributor, under provincial jurisdiction, getting away with the incompetence that they have got away with. I have been negotiating with them for four months. The issue is still not resolved. But I expect that the minister will look into that kind of situation and come up with some kind of an assistance or some kind of a program, at least, that Union Gas deals fairly with the various people who want to convert. That is in our interest, very clearly.

That's just one suggestion. My friend at the end of the row will have many more suggestions. The government has heard them for years. I say to the minister only—I've got a note that says "time," Mr. Speaker—just do it. We will support—I know we will—the tough measures.

This is a time for leadership. This is a time in that we have a chance to influence the destiny of those that come after us and in making the tough decisions today. Don't just rail and carp, and hoot and holler, and try to get elected by making everybody mad at Alberta. Everybody's tried those tricks. We understand the politics of this game. There's far more at stake than that, far more at stake than that.

I feel very confident, with the support of the New Democratic Party and the support of this party, that they are prepared to show some leadership on this issue. We have yet to see the leadership from the minister.

Mr. MacDonald: Mr. Speaker, one of the documents upon which this debate is focused is entitled A Policy Framework for Canada. The second one is A Policy for Ontario. Therefore I assume that what we have finally is a policy with regard to energy that this government has espoused.

That being the case, I want to say to the minister, emphatically at the outset, that it is a policy that is shot through with conflict, with contradictions, with uncertainty; that there's more gap than substance, there are more questions than there are answers. In fact, it bristles with questions, particularly when one tries to fit into the picture that the minister is sketching Hydro, on which I want to lay my major emphasis in my comments this afternoon.

Even more important, there is no real commitment—certainly no adequate commitment—on the part of the government to achieve the stated objectives that the minister has spelled out for the government policy.

[5:45]

Let me start with the minister's press conference on October 1. It was something of a discomfitting experience for the minister. It was obvious it wasn't the most enjoyable thing in which he had ever engaged. About two thirds of the way through, one of the media boys was brutal enough to say to him, "Why did you hold a press conference?" The minister could only lamely say, "Well, I've been the minister for a month and I thought you would like to meet the minister." It wasn't very persuasive for the boys who were looking for news.

Let me take a look at what the minister unveiled, this grandiose $30 billion. Now $14 billion was in the conventional ongoing program. As has been pointed out already this afternoon, we knew all about it. There was nothing new in it at all, except one thing; namely, this new Minister of Energy expects to produce 1,000 megawatts at a price tag cost of $1 billion from the Onakawana lignite resources up in northern Ontario.

By chance, Mr. Morison, one of the top men—one of the vice-presidents—of Hydro, was before our committee the next day, and we asked him about it. Mr. Morison said, "I wasn't aware the government was making this statement. In fact, our studies are to go on until the year 1981." Is this just straight window-dressing to build a great facade, when it is still under study for the next couple of years?

Let me proceed to another rather intriguing thing about it. We listened to the minister talk about his 15-year program. In the course of talking about his 15-year program he emphasized three or four times that involves no new nuclear commitment, just the existing commitment. This was for a 15-year period up until 1995.

The reality of the program at the moment is that Darlington will be completed in 1990, and there is an intriguing gap between 1990 and 1995. Are there going to be no more nuclear plants?

Well, we asked Mr. Morison the next day when he was before the committee. It was very useful and fortuitous that he should come the very next day and give us this clarification.

Mr. Makarchuk: You guys should have got together before that.

Mr. MacDonald: I wonder what goes on between the Ministry of Energy and Ontario Hydro. He said to us, "I didn't know anything about the statement that was being made. I'm not aware of the fact there is a gap in the program, because our plans call for a new nuclear plant in the year 1993." Mystification fell upon us all.

I repeat: question mark, question mark, question mark, throughout the whole thing, not only with regard to the substance but with regard to the co-ordination between the Ministry of Energy, which is presumably speaking on behalf of Hydro, and Hydro itself.

Mr. J. Reed: Don't presume, because they are not.

Mr. MacDonald: Let me go to the next part of the program, and that is, of course, with regard to renewables. Of that dazzling $16 billion which was going to be spent on renewables and which awed the Leader of the Opposition so that he was almost speechless—he was certainly impressed—$2 million of it is going to be in renewables of hydraulic power.

If I can avoid arousing the member for Halton-Burlington about this whole issue, a year or two ago Hydro was saying, "nonsense," with regard to developing these new sites. Now 17 of the 43 are going to be developed; 2,000 megawatts, something approaching $2 billion.

Fine, that is a commitment and we had it from Hydro before. Nothing new, I repeat, a recycling, but at least it is a commitment. Then the minister has the colossal effrontery to argue that the other $14 billion, almost half of this dazzling, Cecil B. De Mille production amount of $30 billion, was going to be picked up by the private sector.

Interjections.

Mr. MacDonald: What a commitment! Has the minister forgotten—Don't talk to the member for Cochrane South (Mr. Pope). He's not in the picture yet. He's the next Minister of Energy when you are out.

Mr. Nixon: He doesn't want it either.

An hon. member: The kiss of death.

Mr. MacDonald: Has the minister forgotten—and this question I address to him—that the last time the government wanted to develop something in the energy field, namely with regard to heavy water, Darcy McKeough went out on bended knee to plead for the private sector to develop heavy water plants? What answer did he get? None.

There is nothing in that experience to suggest the private sector is going to pick up the development of renewables. You've set it as your objective; it is a desirable objective. You are counting on somebody who on the basis of all past experience plus the whole ethic and approach of the private sector, is not going to respond.

Nobody knows if this is a profitable sector. The private sector isn't going to move in if they are not assured it is profitable. You will want the minister to finance it and when he has proved it profitable, they will be glad to move in, but that means he has the initial action.

Let me proceed because time is so short.

Last spring, when we were discussing the surplus we have in this country, the Premier's answer to our comment on the surplus was: "We should be delighted. The rest of the world has got a shortage of energy and here we are with this surplus." He was suggesting, if not actually stating, electrical energy is a substitute for the shortage of oil.

Just let me make this point quietly to the minister, because I think he knows it.

Mr. J. Reed: I'll make it louder—

Mr. MacDonald: Electrical energy is not a substitute for oil. Marginally, it may be and when, inadvisedly, electrical energy is used for heating purposes when one doesn't happen to have enough oil, that may be a good thing, but electrical energy is complementary to oil, not a substitute for it. For the foreseeable future, at least until GM gets out electrical cars and a lot of other developments of that nature, the prospect of electrical energy—even if it were desirable and it isn't—being used for mass transportation is I think out of the question.

Let us examine this surplus of 4,000 megawatts, the equivalent of $4 billion. The equivalent of two Pickering As, is the excess capacity of Hydro. If I may pick up on a comment of the Leader of the Opposition with regard to the ads, I can't understand the justification for Hydro spending consumers' money to advertise and say to the people of the province that some construction must continue to make sure the future of electricity demands of a growing population will be met.

We have 4,000 megawatts. The advertising is off target. What has Hydro done?

Hydro today is made up of a group of hard-nosed businessmen and those hard-nosed businessmen knew they had a profoundly embarrassing situation on their hands. They were producing far more than the market could absorb and they had to carry the debt involved with that excess generating capacity.

This is something the people of the province of Ontario really don't yet grasp. What has Hydro done, not everybody else? What has Hydro done? I'll tell the members. After spending $300 million, they have stopped and stored Wesleyville to the 1990s.

Having spent over $200 million on a half of a heavy water plant D up in Bruce, they have stopped and stored it indefinitely. They are now completing the other half at a cost of some hundreds of millions of dollars. When it is finished, there will be no market for its products—AECL has stated it emphatically—so they have to mothball it.

They spent $36 million on the Keith plant down in Windsor. Having done that, they got a rehabilitated plant because it was an old plant they closed up in 1976. Now they have mothballed the $36 million rehabilitated plant.

Mr. Nixon: They've got money to burn.

Mr. MacDonald: They have mothballed five of the eight generators in the Hearn plant. They have extended the construction program for Bruce B, for Atikokan and for Darlington in order to avoid adding more excess embarrassing productive capacity.

Mr. Nixon: Fortunately Nanticoke won't work.

Mr. MacDonald: Yes, that's one of many questions.

In other words, they hope by the year 1990 they will have absorbed this excess productive capacity.

Mr. Speaker, let me introduce you to something which to my mind was one of the most challenging, one of the most exciting things that has emerged out of our select committee. We all know Hydro's historic growth has gone from seven per cent down to something less than the six when Darcy McKeough imposed upon them by his capital limitations, and down to a 4.2 until the end of the century. It will be down to 2.2 according to the model of the Ministry of Energy. This year, Hydro's estimate for this year is 2.9, and for the first half of the year their growth was only 1.9. For the first nine months it was only 2.7, so they may live within the 2.9 for this year.

In other words, the proposition that the incredibly wasteful use of energy in this province could be brought to a halt, the proposition that we could reduce our annual growth in electric needs in this province to one or two per cent is not a totally unrealistic proposition.

This was a spectacular thing that was given to our committee, namely, if we could reduce our annual growth in electrical energy in the province of Ontario to two per cent, we would need no new generating capacity beyond Darlington before the year 2004. If we could reduce our annual growth to one per cent, we would need no new generating capacity beyond Darlington until the year 2040.

Ms. Gigantes: We wouldn't need Darlington.

Mr. MacDonald: Let's not get into that for a moment.

Mr. J. Reed: In other words, shut up.

Mr. MacDonald: Darlington, for better or worse, happens to be there.

Is it realistic? I want to suggest to you, Mr. Speaker, that in the countries of Europe, where they have had a high level of economic development, they have maintained and expanded their standards of living. They have done it using one third to one half less energy than we are doing in the province of Ontario. The challenge in terms of conservation and the more efficient use of energy is massive. In the continent of Europe they have developed cogeneration, where industries will use their waste materials to produce power for their own needs. We have done very little of it, and then we have renewable resources which we are only now getting around to.

This is the objective which the minister has set for himself. I suggest it is the kind of objective which is realistic and, if we can bring our growth in electric power down to that kind of level, not only will we be saving resources but we will be saving a massive expenditure in capital that is now going into the Hydro setup and which would be available for some of these other things.

To the extent that we can't do that, we can bridge the gap by bringing in the renewable resources. As has been pointed out to the minister many times, we are spending over $1 billion every year on developing our existing Hydro system and only $16 million on renewables. That's the kind of set of Tory priorities that is just mind-boggling. I am not going to add in the $14 billion that the minister hopes to get from the private sector.

Let me conclude my remarks by setting up for the minister a reminder. The Premier spoke to the CNA a few months ago. He said—and it was a magnificent steal from NDP statements for many years—that nuclear energy was an inescapable, unavoidable bridge from traditional, fossil-fired generation of electricity, namely, oil and coal, over to the renewables.

Our major complaint about the situation in Ontario is that we are spending well over $1 billion every year to extend the bridge, while we are spending a measly commitment of $16 million for what's going to be at the end of the bridge, what's beyond it and what will be the ultimate source of energy for people, not only in this country but in this world. What we would like to see is not only the objective which the minister has set, but a commitment really to follow through on it. Then the government might be able to realize the vision which in a moment of great clarity, like Saul on the road to Damascus, the Premier happened to see in NDP terms.

I invite the government to do something about it instead of making these idle commitments that the private sector will pick it up.

The House recessed at 6 p.m.

CONTENTS

Tuesday, October 16, 1979

Agricultural insurance, statement by Mr. Drea 3503

Tax appeals, statement by Mr. Maeck 3503

Hydro advertising, questions of Mr. Welch: Mr. S. Smith, Mr. MacDonald, Mr. Makarchuk, Mr. Peterson 3504

Acid rain, questions of Mr. Parrott: Mr. S. Smith, Mr. Laughren, Mr. Sargent 3506

Ontario Energy Corporation, questions of Mr. F. S. Miller: Mr. Cassidy, Mr. Peterson, Mr. Sargent 3508

Health service charges, questions of Mr. Timbrell: Mr. Cassidy, Mr. Conway, Mr. Cooke 3509

Algoma Children's Aid Society, questions of Mr. Norton: Mr. McClellan, Mr. Wildman .. 3510

Royal Ontario Museum, questions of Mr. Baetz: Mr. T. P. Reid, Mr. Makarchuk, Mr. O'Neil 3511

Co-payment fees, questions of Mr. Timbrell: Mr. R. F. Johnston, Mr. Conway, Mr. Breaugh 3512

Child support payments, questions of Mr. McMurtry: Mr. Breithaupt, Mr. Roy 3513

Cleanup of spills, questions of Mr. Parrott: Mr. Wildman, Mr. B. Newman 3514

Wintario grants, question of Mr. Baetz: Mr. O'Neil 3515

Domestic employees, questions of Mr. Davis: Mr. Charlton 3515

Motion re Resolution 7, referral of Estimates, Mr. Wells, agreed to 3515

Corporations Amendment Act, Mr. Drea, first reading 3516

Fiscal Plan Act, Mr. Van Horne, first reading 3516

Speaker's ruling re rules of the House 3516

Consideration of energy policy papers 181 and 182: Mr. Davis, Mr. S. Smith, Mr. Cassidy, Mr. Grossman, Mr. Peterson, Mr. MacDonald 3516

Notices of dissatisfaction with answers to oral questions: Mr. Roy, Mr. Stong 3534

Recess 3546

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
Bolan, M. (Nipissing L)
Breaugh, M. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Charlton, B. (Hamilton Mountain NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davis, Hon. W. G.; Premier (Brampton PC)
Davison, M. N. (Hamilton Centre NDP)
di Santo, O. (Downsview NDP)
Drea, Hon. F., Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Edighoffer, H.; Deputy Speaker (Perth L)
Gigantes, E. (Carleton East NDP)
Grande, A. (Oakwood NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Hennessy, M. (Fort William PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
MacBeth, J. P.; Acting Speaker (Humber PC)
MacDonald, D. C. (York South NDP)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McCaffrey, B. (Armourdale PC)
McClellan, R. (Bellwoods NDP)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
O'Neil, H. (Quinte L)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Roy, A. J. (Ottawa East L)
Ruston, R. F. (Essex North L)
Sargent, E. (Grey-Bruce L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Taylor, J. A. (Prince Edward-Lennox PC)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Van Horne, R. (London North L)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wildman, B. (Algoma NDP)



No. 84

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, October 16, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

TUESDAY, OCTOBER 16, 1979

The House resumed at 8:03 p.m.

ENERGY POLICY PAPERS
(concluded)

Resumption of consideration of sessional paper 181, Oil Pricing and Security: A Policy Framework for Canada, and sessional paper 182, Energy Security for the Eighties: A Policy for Ontario.

Mr. Speaker: Resuming the recessed debate is the member for Kent-Elgin.

Mr. McGuigan: Thank you, Mr. Speaker, for this opportunity to take part in this very important debate on energy matters.

The Premier (Mr. Davis), in his opening remarks earlier today, quite properly pointed out we are really talking about Confederation as much as we are talking about energy. I would like to address some remarks to those points.

First, I want to point out, on behalf of the agricultural industry—and my riding of Kent-Elgin is predominantly agricultural—and small towns that depend upon the agricultural industry, that primary producers use only about three per cent of the energy used by this nation in primary production. That three per cent represents something in the area of 12 to 15 per cent of their production costs, and it is very, very important to them.

I want to point out that we pride ourselves in North America as being great, efficient producers of food. We're inclined to look upon the rest of the world as somewhat inferior to us.

Mr. Haggerty: We produce more protein in all of Ontario.

Mr. McGuigan: One third of the acres in Kent-Elgin are devoted to corn. On an input-output basis you get about three units of energy for one put in. That's the most efficient crop we grow.

When you go down to many of the lesser efficient crops, you get into negative ratios. We're efficient in the respect that we use a small part of our population to grow our food. In Canada, I think the accepted figure today has slipped from five per cent down to about four per cent. Certainly as our farms become larger and more mechanized, I can see that going to three per cent and even two per cent in not too many years.

In terms of efficiency of manpower, North America and Ontario are the leaders in the world, not leaders in efficient use of energy. The Chinese peasants, usually women and not men, who spend life bent over in astute labour of planting rice and then later in harvesting it, return about 50 units for every unit they put in. It gives you some cause for concern when you hear the government over there rather easily acquiescing to higher energy prices.

I want to point out that it's not just a matter of passing through the direct energy costs of higher price per gallon for fuel. It's a matter also of passing through the higher costs of machinery, which of course require fuel for manufacturing; the higher cost of fertilizer, pesticides, twine, plastic, packaging materials, and transportation. In fact, the list is rather long, so the consequences of these higher energy prices can only result in higher food costs.

You might even wish to say on some flight of fancy, and perhaps it's not so fanciful, that we're not on a gold or paper standard, today we're really on an oil standard. So fuel price increases mean, absolutely, increased food prices. Of course, labour, quite understandably and quite naturally, asks for higher wages to counteract those food costs. Again, we go into that spiral that takes us inevitably along the road of inflation with all the social ills that that has.

We just feel that the government is not doing what they should for Ontario. If you doubt my figures about the efficiency of our system, just consider that the most efficient engines like tractors or diesels, only turn out about 25 per cent of the power and the fuel in the form of work. The tractor itself, pulling a tillage implement across the field, uses 50 per cent of its energy just to transport the tractor. So you come down to only a 12.5 per cent efficiency level on the use of fuel.

Just with that background, I'd like to pass to some of the matters of Confederation, and I've mentioned this once in a previous speech. I'd like to point out that we haven't done so badly by western Canada as a lot of westerners would lead us to believe. In the

agricultural field, we've had more co-operation in its maintenance in Canada than perhaps any other field of endeavour.

It goes back to the building of the railroads. In the building of the CPR railroad, which was completed in 1885, the Canadian government guaranteed three quarters of the bonds that built that railroad which made the movement of western grain possible. Then, in 1922, the Canadian government picked up the pieces from three ailing railroads—I see the Speaker is interested in railroads—and amalgamated those into the Canadian National Railways.

In the early days of the CPR, when the government gave the right of way to the railway, in return for that and other tracts of land the CPR guaranteed it would transport grain ever after at the Crow's Nest rates, which I think were set in 1895 if my memory serves me right. They have persisted since that day. At the present moment, Canadians are subsidizing the western producer at about 45 cents a bushel for every bushel of grain that is moved on Canadian railways. I would point out too that since 1945, since the beginning of the wheat board, the western producer has been shielded from American production.

It has not been the same case in Ontario, where corn and soybeans come freely across those lakes at very cheap transportation. In fact, they come at prices even cheaper than those of the Chicago Board of Trade. Grain out of Maumee, Ohio is at a lower price than in Chicago. The small amount of duty we have enjoyed on corn coming from the United States has been largely offset by cheap water transportation from the United States.

In the very short time that I have to finish, I would mention there have been many other pieces of legislation—the advance payments for grain, the marketing system for western wheat—that have treated those producers as best they could be treated under the circumstances.

My point is Ontario and Quebec producers have made very little protest over the years, although of course they have complained at times. They have accepted these economic intrusions on the production of food in Ontario and Quebec because it meant holding this great country together. I would suggest that we feel the west could perhaps return some of the same courtesy and some of the same consideration in their pricing of energy.

If I had more time I would speak on the greenhouse industry and the problems that higher fuel costs bring to that industry, but time is running out. I just want to suggest to the government that farmers and consumers in Ontario, Quebec and eastern Canada have gone a long way towards supporting and subsidizing western agriculture. They have gone a long way towards keeping Canada together. They are willing to continue going a long way towards keeping Canada together. We just hope this government has that same commitment and the same desire to see the wealth and resources of Canada shared properly among its many citizens.

Ms. Gigantes: I will begin my participation in this debate by taking the opportunity it provides to pay tribute to the party whose government I oppose, because I feel tribute to that party, that old, well-known institution, is due. I am an inveterate believer in democracy and I have always had to accept that the Conservative Party in Ontario has succeeded in representing the people of Ontario, either in the majority or, more recently, in the minority.

As I prepared my thoughts for this debate on Ontario's energy policy, my mind was cast back to the days when I earned my bread and butter as the researcher for the CBC radio local public affairs in Ottawa in 1970 and 1971. Working for CBC local public affairs was good training for this kind of job. Like this one, it was one which could use as much energy as you could put into it, allowed for an expression of concern for public affairs and was both frustrating and thrilling because you could never count on employment for longer than a few weeks.

[8:15]

But I was lucky in my job. When I told my producer in February 1971 that I was really anxious to attend the Conservative leadership convention in Toronto, that it would help me understand the nature of Ontario politics and be better at my job as researcher, he listened to me. He not only listened, he agreed with me, and he did his job and mine the day I missed our program.

I came down to Maple Leaf Gardens without a press badge and watched the government as old as I was choose its new leader. It was an enormously important thing to do, as it turned out.

We had a local favourite, those of us from the Ottawa Valley, a fine, strange man named Bert Lawrence. I had met Bert Lawrence in my job and I had a very high respect for him. I did not know Darcy McKeough or Allan Lawrence or Robert Welch or William Davis. It was a real discovery to go to a policy workshop and to the convention floor and listen to the debate

and get to know the kinds of Conservative Party people from all over Ontario who came to support their favourite candidates.

My favourite candidate, Bert Lawrence, was doomed. Because I have always had a high respect for intelligence I thought in 1971 I would have supported Darcy McKeough if I had been an Ontario Conservative. I developed a quick dislike for Allan Lawrence and his supporters and a deep affection for the supporters of William Davis and Robert Welch. Welch was doomed too, at least as far as the leadership race went. But my democratic faith was reaffirmed by the fact that the quality of support those two men had at the leadership convention was tested for over eight years and is still confirmed.

To me, the naming of Bob Welch to the role of Minister of Energy is a sign that an honourable institution, the Conservative Party of Ontario, has finally recognized that the ordinary people of Ontario have wanted an energy policy for the last five years. They've talked to each other at the Kinsmen's Club; they've talked about it in the bus station coffee bars; they've offered a drink to the new family in the neighbourhood and ended up talking about Ontario energy policy for five years now.

I've only held my current job for a few days over four years, a job Bert Lawrence used to have, but I know the Conservative Party has not been in touch with the ordinary people of Ontario on the topic of energy for at least that long. Now that honourable institution, the Conservative Party, is finally getting the message. For four years it hasn't heard the message from eastern Ontario.

Claude Bennett is still looking after developers, Sid Handleman has paid too high a personal price for the fleeting power he was grudgingly given, and the Conservative Party still has not learned that Osie Villeneuve and Albert Belanger are too shy to be aggressive about the things they know from the people they've represented so long.

Mr. T. P. Reid: What kind of malarkey is this?

Mr. J. Reed: Character assassination.

Ms. Gigantes: I know I don't need to remind Mr. Speaker of such things, of all people. But I feel very deeply—

Mr. T. P. Reid: I'd like to tell you what her colleagues say about her.

Ms. Gigantes: —that the Conservative Party of Ontario, in control of our governments for lo these 36 years, is both honourable and much too slow to understand. Still I'll give it credit, that old, slow-moving institution, for having decided this year to appoint Robert Welch to be Minister of Energy. If there's anyone left in a position of influence in the Ontario Conservative Party—

Mr. T. P. Reid: He's been everything else.

Ms. Gigantes: —who will pull the old fat out of the fire, Robert Welch is the person. And I say good luck to him.

He'll need good luck, because Darcy McKeough, in his brash, insensitive way, tried. He cut back Ontario Hydro borrowings in 1976; he lectured us about the shortage of capital availability because of Ontario Hydro borrowings in 1977. He gave up trying to be Ontario Conservative leader in 1978, shortly after the majority of elected representatives in Ontario let him know he had the wrong view on an issue he had never had to think about, the price of health care.

Darcy will return because he is intelligent and he's now the head of Union Gas, and his views and his powerful intelligence will once again become critical in Ontario.

Mr. Conway: Have you ever met a payroll?

Ms. Gigantes: If I was still a person who earned my bread and butter in the media, I'd be sitting on his doorstep bargaining for an interview.

Mr. T. P. Reid: Did you say parking?

Ms. Gigantes: I'll stop speculating on the future, forget my reflections on the past, pay tribute to Darcy McKeough's intelligence and the sensitivity of the Minister of Energy and proceed to the reality of the present, because I doubt the ability of the party now in government in Ontario to come to grips with the present quickly enough to meet the present needs of the ordinary people of Ontario.

The ordinary people of Ontario, just like all people who have the luxury and freedom to express their real needs, are very conservative people. I'm one of those conservative people, which is why I'm a socialist.

Mr. T. P. Reid: You are finished.

Ms. Gigantes: I'm such a small "c" conservative that the institution called—

Mr. T. P. Reid: When you get that hard up, you're really good.

Ms. Gigantes: —the Conservative Party is totally unacceptable to me. I'm a conservative in a hurry, and the institution called the Conservative Party is much too slow to be supportable.

Mr. J. Reed: That is very plausible.

Ms. Gigantes: Energy is a prime example. The Conservative Party in Ontario positively

loathes the idea that we could collect taxes and put those taxes into conservation. Isn't that funny? In fact, if you suggested such a course of action, the Tories would call you a radical socialist.

Mr. T. P. Reid: That's redundant.

Ms. Gigantes: In Ontario, the Conservative Party is philosophically detached from its base of popular support. Its 36-year-old government even co-operates with the pulp and paper companies, the mining companies and the nuclear companies in propaganda that tries to persuade us that the things we value in life depend on our willingness to accept the possibility of widespread public poison.

I put it to you this is not a conservative position. This is not what you or I or millions of very conservative people in this province would want as an expression of our conservative nature.

Mr. T. P. Reid: It's a good thing that nobody is taking this stuff seriously.

Ms. Gigantes: But that's what we've been offered from this so-called Conservative government. The extreme example, of course, is the efforts of the federal Liberal and provincial Conservative Parties to convince the people of Sudbury that now that Inco has taken the high grade ore in Sudbury and wants to improve its profit margin in Indonesia, the people of the Sudbury area should be glad if Atomic Energy Canada Limited decides that empty mine shafts might be a good place to insert high-level radioactive waste into Ontario soil.

That may seem an extreme example but, unfortunately, it is a true example of how far this so-called Conservative government has strayed from its conservative roots.

What is it to be a real conservative in Ontario today? What is it to try to represent the feelings of a large, well-educated, free people who place a high value on conservative goals? In Ontario, we wouldn't say life, liberty and the pursuit of happiness; but we would say food, housing, health, education, a decent prospect for our children, heat, light, provide the energy that will fuel our homes, and give us employment. These are very elementary, very conservative needs, and this government is not answering them.

Take residential heating oil as an example. At last count, 1.9 million families in Ontario depend on supplies of heating oil for warm houses. That is a very basic need. Some of those 1.9 million families might be able to switch to natural gas for home heating if heating oil supplies run low. Others would not. The Ontario government, obviously, has a prime and unavoidable responsibility to inform these families in as much detail as possible whether heating oil supplies will be adequate and how best to provide heat in their area of the province.

So far, the government has refused to acknowledge this very basic responsibility. The Minister of Energy puts his hands to his heart and tells us as far as he knows there will be enough home heating oil to meet demands this winter. His generalized reassurance is based on the monthly survey of refinery production and forecast demand which the National Energy Board collates for Canadian governments. The figures in that survey are produced on a month-to-month basis by the largest oil companies and refiners. The NEB will not permit the public release of the figures, and the Ontario government does not carry out a survey on our behalf.

The upshot is neither the Ontario public nor Ontario oil distribution firms have access to analyses and forecasts which would help us make our own assessment of whether heating oil supplies are likely to be adequate or what alternative heating arrangements to prepare on a regional basis.

The fact the Ontario government has refused to acknowledge this responsibility is one difficulty we're supposed to quietly accept. We're also, apparently, supposed to accept the reason for that refusal. That brings us to the heart of the matter.

The immediate excuse, of course, is the National Energy Board will refuse to release the survey to the Ontario government if the figures in the survey are released to the Ontario public and Ontario distributors. The NEB has a bargain with the major oil companies and refiners and the NEB is going to honour that bargain; and that is that as far as the Ontario government is concerned. It is too bad for Ontarians who have a right to the information.

It's quite an attitude, isn't it? About the only thing one can say for it is it's consistent with the Ontario Conservative government attitude that permeates every part of current energy policy in this province; to wit, the basic decisions about the types of energy available, supplies of energy available and the prices of those energy supplies should be left in the caring hands of the large corporations which already control the energy market.

I will cite just two recent examples of how carefully the government continues to defend this attitude. The parliamentary assistant to the Minister of Energy, speaking on September 22 to the St. Lawrence Valley conference council workshop on home con-

servation, gave forth with the following pearls of wisdom: "In essence, I would say that our role as a government is to share information creating a positive environment, provide leadership and share risk. We do not believe government should be trying to manage or centrally direct individual decision-making about energy, because this will only discourage the private sector and limit the range and nature of solutions which are actually implemented. What the marketplace does best is invent and breed new ideas, proliferate new designs, mass produce new products, anticipate and create consumer demand. These functions are the antithesis of centralized planning and government direction."

The Minister of Energy himself, addressing the International Gyro District 3 luncheon on September 22 underlined the same kind of position. I quote:

"It's interesting to note that just the other day, to a Toronto audience the federal Minister of Energy, Mines and Resources talked about the possible need for legislation to force people to conserve energy. That notion to me would suggest a normative planning process, massive intervention and intrusion by government into the decision-making process and the establishment of arbitrary goals. That kind of value system as a way of life, rather than as a necessary response to a very short-term energy crisis, doesn't have very much appeal to me. It's the kind of interference with individual decision-making which goes against the style and precepts of the government of Ontario. Very clearly, we would prefer to work at the other end of the spectrum where the individual has freedom to determine the kind of choices which he or she thinks are in their best interest and where the market system prevails."

It's interesting to note in both these philosophical excursions that the chief representatives of Conservative energy policy are still trying to pretend decisions made by the private energy decision-makers are being made in a competitive market. The minister does not claim outright that the energy market is competitive, but he attempts to imply that idea by such phrases as "where the market system prevails."

In both statements, we see again that old Conservative attempt to suggest individual liberties can only be ensured by lackadaisical government. Surely, it would be cold comfort to run out of heating oil in January and be consoled with the thought that at least the private sector was not discouraged by massive government intervention and intrusion into the so-called decision-making process. It's hard to believe that even the members of the Conservative government can take this kind of nonsense seriously any more, but that's the kind of attitude that lies behind all of this government's rhetoric on energy policy. It's an attitude that would cripple the energy future of this province.

[8:30]

A reading of the minister's latest rhetoric, Energy Security for the Eighties: A Policy for Ontario, shows just how paltry is the policy that can be built on this indefensible attitude. It is a document that hints at much government action, promises little government action and leaves the reader with the awful feeling that the energy scene in Ontario could be a total shambles for at least the next 15 years.

Leaving price aside for the moment, what does it have to say about the supplies of oil and gas for Ontario? Well, there should be a national plan and that plan should commit the oil producing provinces to: "permit the required level of industrial development activity within their borders to achieve oil self-sufficiency." Probably seven more Syncrude-type projects would do the trick, it suggests; maybe six, if Canada had a decent conservation program. Part of the financing for this undertaking would come from new exports of natural gas.

On the subject of natural gas supplies, the document proposes that we should only permit new export deals to the United States if Canadian future needs are "assured."

These two policy thrusts on oil and gas supplies are, by themselves, sufficient to make the ordinary reader feel dismay. Since when did we have proof that Syncrude-type projects are a secure source of oil? Not yet, for sure. Since when did a Canadian province make a commitment to develop one natural resource, oil in this case, when it would prefer for its own provincial purposes to develop a different natural resource, coal in this case. Since when did exports of any energy resource help assure energy supplies to Ontario or any other part of the country?

To the ordinary residents of Ontario it probably seems reasonable that the federal government can't be expected to force Alberta to develop oil sands, though the non-intrusive Conservative government of Ontario seems to expect just that. But the ordinary residents of this province will find it quite unreasonable if the Ontario government doesn't put enough pressure on the feds to prevent the export of natural gas at this point in our history.

Isn't there something dreadfully, drearily familiar about all this discussion about calling on the federal government to call on Alberta to call on the oil companies to help us through the Ontario oil crisis? Even to the patriotic residents of this province, the current Ontario government cry for Canada to pull together so that Ontario can have an energy policy begins to sound like the drunk who says he will get sober if only someone will stand him the drinks to help him over the withdrawal period.

There is something quintessentially backwards about the attitude of the Ontario Conservative government on the question of energy. It is no accident this backwards approach produces a document called Energy Security for the Eighties: A Policy for Ontario, which is 17 pages long and which does not refer to a policy for Ontario until page 10; a document that insists on discussing our energy needs in terms of primary energy requirements; a document that identifies the source for $12.5 billion for energy investment as indirect taxation without legislation on our electricity bills, and then suggests that an additional $16 billion investment will have to come from somewhere else, unspecified.

The Minister of Energy seemed disappointed when the intrepid members of the legislative press gallery were not overly enthusiastic at the official unveiling of Energy Security for the Eighties. It is my belief even the ballet reviewer for the Globe and Mail would have questioned the claim that it represents an energy policy for Ontario.

Rather than attempt to say any more about what is wrong with this document, I will outline how I think a Conservative government worthy of the name would draw up an energy policy worthy of Ontario.

Mr. Conway: Give her your pulpit, Bob.

Ms. Gigantes: First it would identify our needs for energy. Then it would identify how to stimulate the Ontario energy market so that those needs could be met.

If we start with the business of identifying needs, what do we need energy for in this province? Very simple, very conservative needs: for heat, for light, for driving motors.

Mr. Conway: Brilliance, my dear.

Ms. Gigantes: We do not need primary energy. We do not need BTUs. We do not need barrels per day. We don't need megawatts and we don't need trillions of cubic feet. We need heat, light and motor drive.

Mr. Roy: Even you understand that.

Ms. Gigantes: If we suppose that we depend on oil for much of our heat and motor drive, and oil is hard to get and very expensive, how do we approach the problem as good conservatives? Obviously, the first step is to ensure that we use oil as little as we have to, which means we use it as efficiently as we can. In addition, we undertake to improve the efficiency of the way we use other energy sources, so that the money we save on efficient use of those sources can help us pay for expensive oil.

This additional policy would become even more reasonable if the other sources of energy were becoming increasingly expensive and difficult to obtain.

To sum up, the primary goal would be easy to identify in clear simple language: it would be to improve the efficiency with which we use current sources of energy to meet our energy needs; a concise, conservative goal which will reward us financially and philosophically, and in terms of our economy's ability to sustain employment.

Obviously, efficiency in meeting our energy needs can only take us so far. Then we'll run up against the old constraints of expensive and limited sources of energy all over again.

So we must identify yet another primary energy goal. We must decide that we will be not only efficient, we will also be enterprising. We will not only use the traditional sources of energy to the limit of economic and energy efficiency, we will also develop new sources of energy which will do the job of meeting our energy needs.

We will do it for ourselves so the research and development opportunities will be here in Ontario for Ontario scientists, Ontario designers, Ontario engineers, Ontario factory workers, Ontario developers and Ontario construction workers. They will pay their taxes in Ontario and spend their salaries in Ontario. Very enterprising and very conservative.

Why do we sit here tonight still debating what we should do about meeting our energy needs in Ontario? Why did Darcy McKeough invent a Ministry of Energy in this province? Why did he have to leave our Conservative government to retire to Union Gas?

Darcy is a blueblood. Darcy has never had to understand why medicare can mean the difference between life and financial bankruptcy, but Darcy understands a lot about the psychology of the people of this province.

We value our traditions, our way of life, and we are inspired by efficiency and enterprise. We have more energy and more imagination than this Conservative government credits us. We want a conservative energy policy worthy of our province.

Hon. F. S. Miller: I am pleased to enter the debate and simply discuss the question of the energy and oil pricing from the economic and fiscal point of view. Perhaps not a point that some of the other speakers have so far dwelled upon to the degree I would like to.

I should emphasize, to begin with, the importance of the economic and fiscal problems facing our nation and, of course, the impact that petroleum price increases has on these problems.

The impacts will be felt by us both in the short and the long run. In the short term, of course, there is the immediate impact on economic growth, on job creation and on inflation.

The work our staff has done in the Ontario government has shown us that every time the price of oil goes up a dollar a barrel with natural gas indexed, we have as much as a four-tenths of a per cent increase in the cost of living. We have a drop in the growth rate as much as two-tenths of a per cent; and as many as 5,000 jobs lost in the province.

Mr. McClellan: Prove it. I think you're just reading the Minister of Industry and Tourism's (Mr. Grossman) speech.

Hon. F. S. Miller: Now, petroleum price increases are being urged upon us at this moment by some other people solely to meet world prices. They will result, in my opinion, in the massive flow of revenues out of the consuming provinces into the hands of the oil and gas producers—

Mr. T. P. Reid: Where are those other people?

Hon. F. S. Miller: —the federal government and the producing provinces.

For Ontario alone, every time that the price goes up a dollar, roughly $300 million flows out of the province. As I have said many times, that has the same effect as roughly increasing the sales tax one per cent; that also takes about $300 million. I think very few of us would like to see the sales tax raised by eight, nine, 10 or 11 per cent in the province. That kind of change or that kind of impact is quickly understood by the consumers in the province.

At world prices, the revenue flows to the producing provinces would create huge economic and fiscal distortions. The numbers actually become mind-boggling. The Alberta Heritage Fund alone, for example, could be up to $25 billion by 1983. Despite the dramatic economic implications we are not now faced with the single increase of $1 that had been agreed upon, but possibly many times that in the next few years. Our position in Ontario has been expressed, therefore, as a problem in economic stabilization.

We felt huge petroleum price increases once before, in 1974 and 1975, and then we had serious, if you want to call it "stagflationary," consequences.

Mr. Nixon: I haven't heard that word in about eight years.

Hon. F. S. Miller: It's a good word. It derives from deer hunting.

Mr. Nixon: I think Nixon used to use that.

Hon. F. S. Miller: That Nixon.

Mr. Nixon: The other Nixon.

Hon. F. S. Miller: Somebody had to coin the word.

Moreover, we regard the responsibility of the federal government as one in which the long-term fiscal and economic balance and stability of Confederation must take precedence over the views of a national energy policy simply founded upon massive price increases.

Any change in the price of energy is particularly hard on Ontario. It has been said by a number of speakers today that we have the highest energy consumption, but that doesn't indicate excessive waste on the part of our citizens, rather it's a result of the structure of our industry. It happens we have a lot of industry that uses a lot of energy, obviously.

Mr. J. Reed: Countries in Europe use half as much.

Ms. Gigantes: It's sad.

Hon. F. S. Miller: Listen carefully, listen carefully. There are some things we can't change, like our climate and our geography.

Conservation, as other speakers have said, is an absolute necessity for Ontario but it can't be achieved or enforced simply by an enormous and rapid jump in energy prices. In fact, there are signs that the economy has made some adjustments to energy pricing already. The rate at which the gross national product has been going up has actually exceeded the rate of growth of energy in the last while, so we are using energy more efficiently. Contrary to comments made by at least the Leader of the Opposition (Mr. S. Smith), the idea that consumption drops in some direct relationship to price so far has been disproved rather than proved.

In fact, I would say that at Ontario's relatively high saving rates, there are many things Ontario citizens will do without before they do without their automobile and a warm home. We have a savings rate, I think, of somewhere around 11 per cent today. The

so-called "elasticity of demand" in fact hasn't been shown to be a factor. I have to say that back a few years ago I was one of those who firmly believed it would be. I remember when John White brought in the seven per cent tax on fuel oil. I thought that would be great in the pre-OPEC days because I was convinced it would save a dwindling resource.

Ms. Gigantes: That's not from electricity.

Hon. F. S. Miller: Well, we were spending about 22 cents a gallon then, I think, for oil.

Mr. Nixon: You haven't improved any since then, either.

Ms. Gigantes: Ask Ontario Hydro if it's working.

Mr. Nixon: Bring back John White.

Mr. Conway: Great prophet that he was.

Hon. F. S. Miller: Nevertheless, the impact of energy pricing and revenue-sharing systems on the economy really is most definitely in the direction of recession and inflation rather than expansion and a moderation in price increases.

Mr. T. P. Reid: Are you sending a copy of this to Joe Clark?

Hon. F. S. Miller: The impact concerns me greatly. I have told him directly and I have argued publicly. I argued right in the heart of Alberta very recently that no energy price policy will succeed in Canada if it's imposed at the expense of the economy and the stability of this country. The position paper that was issued back a month or so ago, in August, entitled Oil Pricing and Security: A Policy Framework for Canada, was advanced as a policy to promote stability in a period of change. It is not a partisan view; it is a proposal for maintaining the very fabric of our country, in Confederation, and improving it at a time when we believe that fabric is really threatened.

[8:45]

The arguments of the oil and gas-producing provinces for a greater degree of control over resource revenues are understandable, and I do respect them; but I insist that there is an economic and fiscal obligation that goes with membership in Confederation, and that obligation requires every member to contribute according to its ability.

Mr. T. P. Reid: Careful.

Hon. F. S. Miller: Ontario's position, therefore, has been one of providing the best analytical evidence we can for an approach that puts the country and its security first in our priorities.

The method of changing energy prices affects all Canadians, and it may determine whether we have a unified country to enjoy.

Most of us think the real impact, or the trouble we are facing these days, is caused by one simple problem, the so-called planned recession in the United States. Most of us think that once we are through that recession, the sailing will be easy again, and the economy will rebound. But I think if you take that argument for granted, you may have miscalculated.

Mr. J. Reed: That's the truth.

Hon. F. S. Miller: I think there are four powerful recessionary forces currently moving in on the economy. In the United States there are three: they are the so-called planned recession, the unexpected recessionary influence of increases in OPEC prices, and of course the fact that lately they have had to use higher interest rates to solve some of their international currency problems.

Canada has, I believe, four problems to resolve. First, the federal government has a fiscal restraint program on.

Mr. T. P. Reid: Joe Clark, Bill Davis, Peter Lougheed.

Hon. F. S. Miller: Secondly, the federal government has proposed, or is about to propose we read in the papers anyway, increases in energy prices. We have seen the dramatic increase in interest rates introduced by the Bank of Canada in the last week. We also are affected by the depressing effects of the US recession.

Mr. Nixon: Time; time out.

Hon. F. S. Miller: My time is almost up.

Mr. J. Reed: Two minutes.

Hon. F. S. Miller: I am going to wind it up by saying this.

Mr. T. P. Reid: Wind up what? You haven't even got the ball yet.

Hon. F. S. Miller: Oh, yes, I have. We have three of those factors affecting Canada that are very difficult to either do without, or to eliminate. We do believe restraint is necessary in government to control inflation. We do have to face the US recession, but we don't have to face the concurrent change in oil prices which will add to the otherwise depressing effects of the first three.

So Ontario, in its arguments, has stressed that not only do we need to have a better system of redistributing the oil wealth, but also to have the control over an indigenous resource and the price of it, that can be slowed down, delayed or put off until the other three factors are not affecting our economy.

Mr. Nixon: Mr. Speaker, I am quite concerned about the debate, particularly since the lack of interest and attention this afternoon indicates that very few members of the House really believe that the matter under discussion is as important and significant as the major speakers have indicated.

Now that we are down to sort of the third string, made up of the member for Carleton East (Ms. Gigantes), the Treasurer and myself, I can understand why the House is not crowded. But I can tell you when the Premier (Mr. Davis), the Leader of the Opposition (Mr. S. Smith) and the leader of the third party, the member for Ottawa Centre (Mr. Cassidy), were establishing party positions and so on, it is surely an occasion in this chamber when every seat should have been full and for once we would have had an occasion here where we were debating an issue of substance and importance.

Interjection.

Mr. Nixon: Now that it has petered out a bit, I can understand it, but I want to express to you, Mr. Speaker—over the barracking from my very far left, from the voice that was raised exuberantly from the Winter Palace over the weekend—my concern that this House is not as interested in this primary issue as really we ought to be.

One of the things that concerned me most recently and brought the importance of the issue home to me was when I realized that the Prime Minister of Canada was cancelling all of his appointments—he was not going home to lunch with Maureen—he was flying especially to Montreal because the Premier of Alberta was coming back from the United States—whatever he was doing down there—and was changing planes in Montreal on his way back to Edmonton. So Mr. Clark goes down to Montreal on the off chance that there might be a few moments when Premier Lougheed could discuss the important matter of oil pricing with him.

They secluded themselves in one of those private rooms they have in the—

Mr. T. P. Reid: CP Hotels.

Mr. Nixon: Here was the Premier of Alberta, with his burnous flapping in the breeze, saying that it was a complete waste of time and they were not approaching any meeting of minds. He steps on his government jet, or whatever it is, and zooms off into the western sunset; and the Prime Minister of Canada comes out still shaking saying that he felt it wasn't that bad at all, that they had reviewed the issues and he felt there was a larger area of understanding.

Really, if that's what we have to depend on to protect the consumers of Ontario, and really, the cohesion of our nation, I fear that all is lost. I really felt for the first moment, the first time, a deep pang of concern that the affairs of the nation were not in strong and capable hands.

Honestly, when the Premier makes his repeated statements, before any television camera with a light on or any tape recorder that has the button pushed, about how anxious he is to keep the price of energy low for this province and how his political opponents all want the price higher, I am really concerned. That an issue such as this, of great concern now and of expanding and continuing concern for the future, would be treated this way really appals me.

I was at the energy conference in Ottawa in 1974 when the Premier of this province—the same one we have now, my God—indicated clearly that he had no objection to an increase in the price of oil at that time. I suppose that's consistent with his view now that there can be no further increases.

I think probably we ought to make it clear that while even the Treasurer said at one time he felt high oil prices would be the only lever to reduce the increased rate of consumption, that while some people still feel that way, there isn't a member of this House who's not in favour of the lowest possible energy prices we can possibly negotiate, connive, or get from Alberta or any other supplier. I don't believe there's any doubt about that.

But the Premier said it very clearly. He said he can express our concern. The Leader of the Opposition, in one of his finest speeches, expressed the concern of a large segment of the people of Ontario. The leader of the NDP did the same. We are at one with this but Ontario can't really do much about it unless we have some way to influence the opinion of the Prime Minister of Canada and the Premier of Alberta. Much as I would like to be able to do that I have a feeling I cannot. But the Premier of Ontario surely can. He was instrumental and has, in his own shy way, often taken the credit for the election of the Prime Minister of Canada.

I have a feeling that perhaps the Premier of Alberta—ever since Bill Davis tried to buy his way into the Syncrude poker game with a $100 million chip that hardly got him past the anteroom—tends to consider the main Conservative spokesman in this province as someone less than important enough to consider. I may be wrong in that, but there has been more than one indication that that's so.

I'll tell you, if the Premier of Alberta is also dismissing the Prime Minister of Canada, as he certainly did on television just a week ago, then really all of the power seems now to have moved completely to the west. There are delegates here to our Commonwealth Parliamentary Association meeting who would say, "Hear, hear, that's so. The sooner you birds realize that and accept it the happier you will be."

Of course we do not realize it and we do not accept it. One of the statements in the Minister of Energy's statement, Energy Security for the Eighties, deals with the self-sufficiency of Ontario. This is a phrase, frankly, that appals me. My leader has referred to his feelings about it as well.

Why the devil should Ontario have to be self-sufficient? After all, we're a part of a great nation in which we have pride. We are not saying to the government of Canada that they have to expropriate the constitutional powers of the government of Alberta. The government of Canada has all of the fiscal powers to equalize this in a fair and just way over the next 25 or 50 years, or maybe even longer.

But if that fund out west is going to continue to grow, the time will come when the government of Alberta is going to see that it has to be invested for development outside of Alberta and for the good of Canada as a whole. If they don't do that, I suppose it will go further and further until some national action will be taken to redress these inequalities.

It is a little late for us now to decide that natural resources should not lie in the control of the provinces. There was a time when it might well have been done, not exactly with the enthusiastic support of Alberta, but with a program for a national energy policy which could have been realistic, significant and effective.

I have read the statements made by the Premier of Ontario at those early energy conferences. In my former capacity as leader of the party I sat in the peanut gallery in Ottawa and listened to him and his colleagues, the other premiers, and the then Prime Minister express their views. In those days, OPEC was just beginning to move and shake. Certainly, the first tremors were extremely strong and frightening; since then it has become worse.

In those days, the Prime Minister of Canada believed that our constitution was immutable. I believe he was right—there wasn't anything that could be done about it.

In my view, we had an energy policy which was going to equalize the cost, but, in fact, it left the control of this important energy resource largely with the province of Alberta and two other provinces with significant petroleum energy resources. There might have been a time then when the government of Canada, realizing the almost worldwide energy emergency was not going to be over in a few months, might have used the undoubted powers in the constitution, as they did when they took over control of Ontario's uranium for another but somewhat similar reason. They might very well have established an energy policy which would not have robbed Alberta, but which would have had nothing to do with the self-sufficiency of Ontario. It would have had everything to do with the self-sufficiency of Canada.

I regret deeply that the government of the day, in 1974, did not do that. They were not urged to do so by the principal spokesman for the province of Ontario. I suppose, looking back to my own thoughts at the time when I was using my paltry, ineffectual influence on my kissing cousins in Ottawa to do something along those lines, I wasn't able to persuade them to take any steps either.

Well, it's too late for that sort of thing now. When we look at the energy resources of the nation, we see that not only does Alberta have the oil—and I wish they had a lot more—but they also have fabulous coal resources. When you look at the resource maps and see what is there, Canada—Alberta—has fabulous coal resources which eventually will, of course, be used. They are making most of their electricity, I believe, from these coal resources now, putting the electrical generators almost on the coal seam. What could be more effective and more efficient?

As you move across the country, Mr. Speaker, you realize that almost all of the provinces do have really important world-class resources: natural gas, uranium newly discovered in the west, and our own development of atomic energy. We can debate a lot about that in the future. What we have accomplished here, is probably the best in the world. Maybe that's not good enough, but it is the best and soon to be the biggest in the world.

[9:00]

The hydro development at Baie James is a fabulous world-class resource. Once again, it has been a bit of a political issue over the last decade and, I believe, is soon to be an issue again. But that falling water is turning the wheels and developing electrical energy in such fantastic quantities that most of it will have to be exported. There is Newfoundland, with Churchill Falls, and even

the coal developments in the Maritimes as well as certain other facilities, if you want to talk about potatoes at four cents a pound.

I see the minister is talking about a great alcohol alternative here. Usually, he's talking in terms of the Niagara Peninsula in that connection. Using certain agricultural materials for fuels in the future, there's no doubt we're going to be able to do that.

Prince Edward Island is going to turn out to have perhaps more resources than we ever imagined. I find it somewhat appalling that while we are concerned with the cost of our electrical energy here, in the Maritimes the costs are far higher. I believe a real energy policy would mean that for the citizens of Canada, whether they live in Alberta or right in the shadow of the Pickering reactor, as my good friend, the smiling parliamentary assistant in the back row, is always telling us is his case, the costs should be relatively the same, plus the costs of transportation.

As far as oil is concerned, the government of Canada under the leadership of Pierre Trudeau was able to achieve that at some considerable cost and fiscal dislocation. I feel the very use of the term "self-sufficiency" in an energy policy for Ontario is an appalling approach for a leading province in a confederation we hope has viability and growing strength.

Unlike many of the speakers from the Conservative Party, I do not have the definitive answer to the problem of energy pricing. I've read extensively on this and I wish I could have come to some clear-cut conclusions. I have come to the conclusion that compared with most of the people in the world we are extremely fortunate indeed.

I just went down to fill up my car with gas because I'm going to drive back to the farm tonight and it cost me $22 for 86 litres. I'm not very good at the metric system, but I was a bit appalled at that. Yet I was interested to read that even that price is an extremely low one compared with most other jurisdictions—all of them in Europe. And it's even lower than what they pay in the United States and elsewhere. I don't want this to be miscontrued; I wish it were lower. But I do not think at the present time the cost is so frighteningly dislocating that we should be about to embark on some panic solutions.

The provision of heat is obviously necessary. The minister has been trying to persuade us over the last couple of days that he has looked after that and that he is personally responsible for any shortage of oil or any other energy anywhere in the province.

Mr. T. P. Reid: He's wearing a heavy sweater.

Mr. Nixon: I feel much easier now that he has accepted that responsibility. But the time will come, either this February or next February, when we are going to have those problems unless the platform and the plan that is established in the broad terms of the blue policy statement is entered into with much more verve, energy and aggressiveness than has been the case so far.

I happen to be a great fan of the present Minister of Energy. I know what his great strengths are. Frankly, I have seen him in an aggressive mood, and we may even find that in the Legislature in the next couple of weeks. That's quite possible. But I somehow feel that his political stance over the years has not been marked by an aggressive approach to policies. In this instance, the blue book is simply going to be insufficient. I haven't been quite as dismayed at its provisions as some other speakers have. I believe it has the component of what eventually we must do.

I was going to say something about some alternatives that have been put forward in reports given to the select committee on Hydro affairs. There's no doubt in my mind that while we have every reason to be proud of the provision of electrical energy through our Candu reactor, the planning of the government—and the government must essentially be responsible—has still been catastrophically bad and expensive.

With 4,000 megawatts in surplus, with two and a half Niagaras established, bought and paid for with money borrowed in New York and we're paying interest on it at 10 to 10.5 per cent, that plant is essentially sitting there idle. The planning has been disastrously bad. It's true we've got lots of electricity, and the million-dollar Ontario Hydro advertising program is trying to make that look like a great advantage.

I've heard the Premier himself attempting to make it look like good planning, instead of the disastrous bad planning it is. But I do believe that we have to make a much stronger commitment to renewable resource than is included in the blue book.

I happen to agree with the chairman of the select committee, the member for York South (Mr. MacDonald), who spoke so well this afternoon. I believe the rate of growth of electrical requirements is going to be considerably lower. With a good and aggressive policy this could, and should, free up some capital for a much more positive and aggressive approach to the provision

of renewable energy resources than has been envisaged here.

Mr. Renwick: Mr. Speaker, I'm anxious to take part in this discussion tonight on a number of relatively isolated points that have come up, some of them during the course of this debate, some of them during other announcements or statements by the government. If by any chance anyone in the assembly can discern any thread through what I have to say that would pull it all together, I'd be the first who would be pleased to know about it.

I wanted to touch upon two or three items that are of very real concern to me.

First of all, as I read the Premier's statement which came out in the summer, then the statement made by the Minister of Energy, and then read press reports, because I no longer get the actual statements made by the Treasurer (Mr. F. S. Miller), I found that what they were talking about was disguised as a question related to energy and the problems external to the province of Ontario. They were really talking in fundamental terms about the economy of the province, and their very real concerns that the luck which they've had over the years to have a stable economy in Ontario, with job opportunities for everyone in the province, was about to disappear, unless they could find some enemy beyond the borders whom they could blame for the default in the planning of the government.

I'm saying to the Minister of Energy, when I get his attention, that he could, perhaps, just listen for a moment or two about this matter.

My first point is that he's really talking about the economy. He's really talking about Ontario, but you talk very much about what's happening out there; about the imperatives of the external world being forced upon the government of Ontario, and making it squirm because it doesn't have many counters in the game.

I want to say that regardless of the ways in which this problem can be looked at, it seems to me that what we're centrally talking about is investment choices. Those choices are very difficult because now we're going to talk about new possibilities of investment. They're no longer old, tried and true investments which we can make. We have to make some very difficult choices about those investments. If those investments turn out to be gigantic and massive in dollars, then we're really talking about giving up, because of the demands of those investments, opportunities to make other choices, not only for ourselves but also for people to come after us.

I want to suggest to the minister that one of the things he'd better do in the quiet of his own office or the quiet of his own home or with those of his advisers who are capable of taking a detached, laid-back view of the problem is to dissocate himself from the statements made in the National Energy Board report of 1978 and repeated as part of the mythology of what we are now talking about. That's this vexed question of this elusive goal that has been established for 1995. That is, that somehow or other we're all right till 1995 and that in the interval of time we must have continued development of the recovery plants for the tar sands. We must have the development of synthetic fuel plants. We must increase the productivity of current supply sources and we must continue our efforts at more efficient energy use and conservation.

The problem with the massive nature of the dollars required for those investments, if we pursue this will-o'-the-wisp of energy self-sufficiency by 1995, is that it will condition all of our solutions. It will condition and limit in an inflexible way the choices which are available to us in this province.

We happen in Canada and in Ontario to have some time, not to pursue energy self-sufficiency, but to recognize the fact—and this is my particular assessment of it—that the curves of discovery of crude oil and the curves of discovery of the production of crude oil on this continent have, in fact, peaked and that we've only got a measurable period of time, even with the most expensive technology and the most skilled people involved in it, to put our affairs in order.

If we impose upon our economy the massive capital investments, whether from the government of Canada, the government of Ontario or from the pockets of the people to pay for those massive energy recovery projects at the frontier or in synthetic fuels of one kind or another, then in Ontario we are going to use substantially all of the capital which we in a very real way could devote to the productivity of energy that we have in the province. What really impinges on us, at least from the way I see it, is that we're not just talking about the productivity of labour any more or the productivity of capital. We're talking about the productivity of energy, which has not been up until now a significant factor in our capacity to maintain the kind of secondary industry that we have in the province.

I think that's very real for us. We have to understand that historically Ontario was able to develop that manufacturing capacity and a significant part of the manufacturing capacity right across the country is located in the province of Ontario, because we had energy at cost. We had Ontario Hydro and we had, as seen on the monument of Sir Adam Beck down the road there, the motto of "Energy at cost."

We have a very real obligation in Ontario to make certain that the selections we make of the decisions we're going to push within our own capacity, regardless of the external pressures for the moment on us, are going to determine in a large way the extent and degree to which the economic statement made by the Premier, the economic statement made by the Treasurer and the economic statement in a strange way made by the Minister of Energy can provide for the capacity of Ontario to produce goods and to have jobs. That's where the focus is now going to be.

The question is whether or not this government, having had the good fortune—and I don't take it away; their policies have been in line with that—to create jobs adequate for the society at least to the point where it was tolerable, although not exactly perfect, is now going to be in a position where in the future the job-creating capacity of this economy for which they're responsibile is going to meet the expectations which the society requires. I am going to give you gratuitously my two selections, as a physicist and as a chemist, what you should do.

[9:15]

I think the two mandates you should give Ontario Hydro, regardless of everything else private industry may contribute to the efficiency of energy in the province or the productivity of energy, as we prefer to speak of it, is to mandate Ontario Hydro to find some method of storing electricity.

I don't think, as a person having a rudimentary knowledge of thermodynamics, that it should be beyond the wit of Ontario Hydro, if mandated to do it, to find some method of storing electricity. If we could do that, we could solve many of the problems which are involved in our need to use oil for the purpose of providing motive power in the province and providing heat in our homes. That is one possibility. I will give you the other gratuitously.

The other mandate Ontario Hydro should have, out of the vast range that are possible, is this questions of solar collection. In some way, for domestic purposes as distinct from the running of the industrial machinery of this society, it should be able to solve this vexed question of home heating by the use of very expensive inputs of crude oil and natural gas. I don't care whether you pick those up or not.

I want to jump now to the next thing—this question of price, the game that is being played and the counters that are in the game. I think the government has to stop talking about a pegged price; it has to stop talking about market price and international prices; it has to stop talking about the Chicago price. Even though it is difficult for the government and impossible for my friends on the right, it has to recognize that what it is saying is that the price in Canada must be a managed price.

The government can get lots of help from the multinationals because they manage prices all of the time, but I want it to know that what we are talking about is a Canadian price managed by the decision of governments in co-operation, if necessary, and if not by co-operation then I don't know how else it will come about. But it is a managed price.

Let me make a second point about the price. I don't know the counters at the bargaining table, because it is all played in a way that I don't quite understand. But it is obvious the government of Alberta is locked into some kind of Canadian price so long as the federal government has the power to prevent the export of crude oil or natural gas. So it is a powerful counter in the hands of the federal government to be able to say "you can't export."

I think one of the bargainers that will come onto the table will be the demand by Alberta, if it is going to give up anything in terms of revenue, to export natural gas. I think this government is going to have to have a position at the bargaining table on that possibility.

Mr. Cassidy: And not the present position either.

Mr. Renwick: I think it should not go unmarked that President Carter is coming here this November. Last February he went to Mexico and the problem there was the import into the United States of natural gas. I would like to ask the government to make certain, in this day of consultation between the federal and provincial governments, to find out what is on the bargaining table and to have input into any discussions which take place in Ottawa with the President of the United States about the United States wanting to have some handle into the Canadian sources of oil and natural gas. I don't really believe that reliance on the constitution is going to work.

I recognize, as the Premier emphasized this afternoon the constitutional backup remarks which are there which were re-emphasized by the Treasurer when he spoke to the Canadian Bar Association at the end of August this year, that certainly the federal government, without any increase in its jurisdiction, has powerful constitutional powers with respect to some of the problems that are there. But it's a reality of the Canadian federal system that the financial arrangements and adjustments over time have been by negotiation and settlement and not by the terms of the constitution.

It would be a real disservice if this country got to the point where these kinds of questions were asked of the Supreme Court of Canada and the Supreme Court of Canada gave a decision. Because I think there would be very real difficulty in getting obedience to the decision of the Supreme Court of Canada on certain questions. One of those questions is about the fiscal and financial arrangements between the provinces and with the federal government. Those are negotiations.

From the day of the Confederation and the appendix to the British North America Act, the financial relationship between the central government and the provinces were matters of negotiation. Those are going to have to be negotiated and I don't blame the Premier for putting his case or the Premier of Alberta for putting his case and I don't really blame the Prime Minister of Canada for laying back at the present time until he gets some assessment about what he is going to do about the two bully boys in the ring. Because that's what it's about; they're fighting and they are fighting for important issues and they are both grown up and they are both tough.

If you are the Prime Minister and you have to work it out for the benefit of the whole of Canada, then you have a problem on your hands. But I think with good faith that that kind of negotiation can be made.

But, Mr. Speaker, I don't want this government to lock us into commitments for massive dollar investments. Let me put the Petrocan case in a somewhat different way. It is quite nonsensical to think for one moment that if the moneys to finance the frontier explorations for crude oil or for the extraction by expensive methods from the tar sands or for the development of synthetic fuels, are going to come from the public treasuries of Canada, either by way of tax concessions or double depreciation allowances or whatever techniques are used, so that it's public moneys which are invested for those purposes and any additional moneys come from the pockets of the people of Canada and mainly from the people of the province of Ontario, then the only people who should benefit from that investment are the people who put up the money and that's the people of Canada and the people of this province as part of the people of Canada.

That's the reason we have to have Petrocan. If one thinks that the major oil companies with their investment in Syncrude are going to be allowed to put up not their dollars any longer, but dollars of the people who have bought their products, dollars coming out of the public treasuries of the provinces and the federal government and then, when they have produced the product, walk away with the profits, then I think the government is not living in this age. They have simply got to make certain that Petrocan is available as a continuing vehicle.

Mr. Speaker, I don't want to go on any longer. I could speak about a number of items over a lengthy period of time about these matters, but I want to finish perhaps on this note.

I don't understand what the Premier said today about Tokyo. I don't know what the commitment of the Prime Minister of Canada was at Tokyo. I know something of the imperatives that forced the commitments, but the Premier today indicated the only thing to which he, as Premier, was committed by the Prime Minister of Canada was with respect to the reduction of our demand over time.

It has been interpreted very clearly that the policy of the government of Canada is to move rapidly—whatever rapidly may mean —to world price for Canadian oil in Canada. I want to know whether it's the interpretation of this ministry that is now the position and the debate is foreclosed and the positions taken by the province of Ontario are after the fact and trying to recover a position which is already lost, or whether this is a real debate which is going on and there's some very real opportunity for the kind of intervention by the federal government to protect the national interest this government has called upon the federal government to make.

Mr. Speaker, those were disparate remarks and they don't have any real connection, but they are three or four of the points which in the short time available were ones I wanted to make. I particularly want an answer on two or three of those points: One, the managed price; two, what was the commitment at Tokyo as understood by this government; and thirdly, what is going to be the position

of this government so far as defining the solutions by producing a will-o'-the-wisp of this self sufficiency by 1995?

That self sufficiency is almost like the Minister of Energy, that having lost his virginity at one point in time he now wants to recover it at some point in the future and he never will. He never will have that self sufficiency. All he will do is doom us to providing public money to private corporations to develop the natural resources which belong to the people, so when the time comes, they can cream the profits off. He can't commit the people of Ontario for generations to that kind of choice.

Mr. Blundy: Mr. Speaker, I am very pleased to say a few words in this very important debate on energy this evening. I am afraid the Premier of the province and the government of our province have not really been standing up to the government of Canada to the extent the people of Ontario would like to see him do.

There is no place in Canada, perhaps with the exception of Alberta, where the pricing of oil and the availability of oil is as important as it is to the Sarnia-Lambton area.

The massive petrochemical and oil plants in the Sarnia-Lambton area use the oil to an extent not found in any other part of Canada, so the pricing of oil and the availability of oil is of paramount importance to us.

When we talk about the government of Alberta demanding this and wanting world prices and so forth for their oil, I would like to remind you, Mr. Speaker, that back in 1946 and 1947, and after Leduc was discovered, and then later on, in 1952 when Redwater Field was discovered, Interprovincial Pipe Line brought the oil down as far as Superior, Wisconsin. The oil companies in our area had great tankers that went to Superior and brought the oil to Sarnia for processing in their plants.

[9:30]

I would like to remind you further, Mr. Speaker, at that time we were paying to Alberta producers $3.20 a barrel, when at that same time we were able to buy offshore oils for $2.30 a barrel, but we in Ontario and we in the petrochemical industry in Sarnia-Lambton felt it our duty as Canadians to use the new-found riches of the west, when we could have bought it for less money offshore.

We in Canada produce about 70 per cent of our oil, and we are able to withstand the ravages of oil pricings a great deal better than many other countries in the world. I believe we must increase our price to a certain extent. We must be able to get to the federal treasury the amounts of money it will have to have to subsidize offshore oil in the Maritime provinces and Quebec. We have to concede that point. But I want to remind you that going wholesale to world prices is going to have a drastic effect on the economy of Canada and of Ontario. The petrochemical industry is a major exporter to the United States and other world markets. Not only are gas, diesel fuel and high-test fuel for airplanes manufactured from oil, but also rubber, plastics, nylon, synthetics, paint, insulation, et cetera.

With this in mind, and that vast exporting strength of the petrochemical industry, I would like to suggest the possibility of a two-tier price for oil: one price for those who consume, who burn up oil; and a second price for those who manufacture the many, many materials from the raw material of oil.

The people in the petrochemical industry will tell you that $1 worth of crude oil, for example, can be made into $200 worth of nylon. This is providing a great deal of work for Canadians and providing a great deal of export. How much better this is than to have to import these things into our country. This is similar with plastics, with paints, with insulation. There is all kinds of money brought into Canada by these products, and many, many thousands of jobs. We can help to reduce the flow of money out of Canada. We can effect a flow of money into Canada by encouraging the processing of oil into export materials.

Last Thursday morning the Premier was in Sarnia to open the new Shell-Chem plant adjacent to the Shell refinery. This was a great occasion for the area because this is another major chemical plant which will be producing chemicals that will be used in everything from ink to medicine. The Premier was very complimentary of the accomplishment of Shell-Chem in Sarnia-Lambton, but he made no remark on the pricing of oil in Canada.

Oil prices in Canada, in my opinion, must be kept below the Chicago price, which is currently just over $20 a barrel. World prices are over $25 a barrel at this time. Our Canadian price is currently $13.75 per barrel. If the federal government takes up the scale, even to the Chicago price, think of what a drastic impact that is going to have on the Ontario economy and the Canadian economy.

I don't understand why the government of Ontario is being so placid in this situation. I would think they would be fighting much more strongly against the government of

Canada in their avowed desire to go to world prices.

I want to emphasize that we don't know how drastic the increases in oil prices will be in Canada. But members can he sure that in the petrochemical industry it's going to be a whole new ball game, one in which we may not be able to produce for export to the extent that we are now doing.

So after having put forth these few comments I would like to urge the government and the Premier to take a much stronger position on this matter of oil pricing and energy conservation with the government of Canada. It is very important to us, and I think the people of Ontario are expecting more from the government of Ontario in this matter.

Mr. Charlton: Mr. Speaker, I'd like to take the very few moments left to us to try to tie some of what's been said to us together. It's all been very interesting, but for me and for us in this party some of it is very frightening and disquieting.

One of the things that has become very obvious to me is that a lot of this debate, although it's very interesting, is extremely naive. One of the international realities in the world today—and this is more true in the energy field than in any other field probably—is that by far the major decisions in energy around the world are political. They don't relate to any marketplace, either theoretical or real. They are political decisions. In the case of oil this is 100 per cent true. All the decisions that influence oil pricing, oil availability and so on, are political.

Continually throughout this debate, both from the party on my right and from the government party—probably the government being the more important since they're making the decisions of this province and also negotiating for this province with the federal government and other provinces—we hear references from the Treasurer and the Minister of Energy to the marketplace finding Canada's energy level. We are continually hearing references to—and I'll quote from the Minister of Energy's document, Energy Security for the Eighties: A Policy for Ontario:

"Canada's crude oil supply is now primarily the responsibility of the privately-owned petroleum industry. That responsibility should continue to rest largely with the private sector."

This is based on the government's assumption, first, that private industry does things better; and, second, that free enterprise still exists in the energy sector and that there is a marketplace, there is competition. We all know that in reality that's not true. There is no marketplace. There is no competition.

In oil all of the decisions are political. Yet we're trying to opt out of what is a political game in this world today. The federal government is selling off all the advantageous portions of Petro-Canada, the portions which can finance the critical portions of Petro-Canada which are the high risk and high cost exploration and development portions. So we're here today talking about a very crucial stage in the development of energy policy in this country from an entirely naive premise that the private sector should still be the major involvement in our national energy policy direction.

We are in a situation, not only in the oil sector, but also in all of the other energy sectors, where politics is the major influence. None of the other sectors yet has quite reached the level of 100 per cent that oil has reached; nonetheless, the major influence in all of those sectors is political—not marketplace and not competition.

We have a government here in Ontario; we've a federal government. We've governments in Alberta and most of the other provinces which time after time refuse to directly involve themselves in the energy field—"directly" as in operating the energy field in the best interests of the Canadian people.

Time and time again they refuse direct involvement, yet when we look through the Energy minister's document on energy security we find, time after time, the indirect involvement.

Instead of confronting the energy problem head on and dealing with the consequences where they occur in the energy field, we take the other route. We leave the private sector to run the energy field and we get involved in all of the programs that compensate for the problems that result. So we have a situation where in the Energy minister's statement, "A coherent policy of assistance to the key Canadian industries, both to adapt to the oil cost increases as well as to take advantage of the new energy-related opportunities."

Then there is a statement about an effective anti-inflation policy being essential in all of this. We don't have an effective anti-inflation policy anywhere in this country—not in this province and certainly not federally, either. We have not been effective in any way, shape or form in dealing with inflation; no measures to cushion the impact on low-income groups, particularly those who have no alternative to home-heating oil.

Instead of dealing directly with the problems of oil, the governments in this country take the approach of dealing with the con-

sequence, which is the effect on the people of this country. But we end up paying anyway, in giveaways to the companies as incentives, both in taxes, write-offs, grants and so on; and doing and paying for their exploration for them, but we also have to get involved in dealing with the effect their pricing policies have on the people of our province, and of our country.

We say on the one hand, that as a government we believe in the private sector and the fact that the private sector can do it better, and then turn around and say on the other hand, "We don't want to involve ourselves in the energy field because of that, but we will do all of these other things to compensate for the problems created by our lack of involvement."

We are in a situation in energy which is critical. The Treasurer in his statement tonight, said that in the whole energy situation, the country and its security must come first. Yet we are relying almost totally in our approach to energy policy, both for Ontario and as a nation, on private-sector corporations.

I don't think there is anybody on the government benches who wouldn't agree, though, that if the governments in Canada had not involved themselves in oil prices, for example, to some degree—in other words, a government intrusion into the private sector, into the marketplace—the Canadian oil prices, if the oil companies had their totally free way to do so, would already be world oil prices.

[9:45]

We are saying on the one hand we don't want government intervention; we will let the private sector do it. But on the other hand, we have had continuous policies of government intervention all along.

The problem is we've never had direct involvement to the full benefit of the Canadian people. We continue with the kinds of policies in this country that we've pursued both federally and provincially, policies which ignore the public sector's ability to deal directly with energy and have a positive impact for the people of Ontario and the people of Canada through extensive research and development, through an Ontario energy corporation, through companies like Petro-Canada and all kinds of new areas we have to get directly involved in.

This government is sitting there saying, "We're going to spend $12.5 billion over the next period on nuclear power development, which we are already committed to, and we're going to see that $16 billion of work is done in the alternative energy sector but we're going to leave that to the private corporation," which, up until now, have totally failed to provide any initiative in those areas.

In fact, we've watched those very corporations on which this government is going to rely to do that research and development, gobble up hundreds upon hundreds of small independent initiatives in the research area—Canadian and American and others—gobbled up by oil companies, gobbled up by auto companies. Yet, our reliance for the development of alternatives is going to be left with them. We're going to provide some incentives, presumably, from the public purse again.

It's not good enough and it won't work and it's totally naive, in a sector which has become 100 per cent political already in some areas and in others is rapidly becoming so in terms of its political nature and the nature of the decisions made in those energy areas.

We have to get involved as a country and as a province or we're going to be left behind by the rest of the world in terms of our energy decisions and our ability to deal with energy problems.

I think I'll leave it with that, Mr. Speaker. It's a situation that is critical and we're not even going to be in the game because we're headed in a direction that totally ignores the realities of energy in the world today.

Mr. Conway: I appreciate the opportunity this evening to participate briefly in a debate which I feel is as important as my colleague from Brant-Oxford-Norfolk indicated in his remarks earlier this evening.

When it was released some weeks ago, I read the Premier's document entitled, Oil Pricing and Security: A Policy Framework for Canada, with a great deal of interest. For a Premier of Ontario it is, in my view, an important and in many ways a controversial new departure.

The document, the blue book, is a careful, calculated and essentially political document with respect to the very controversial and troublesome matter we are speaking of here this evening. I laughed when I heard the Premier earlier this afternoon dissociate himself from anything but the highest plane of non-partisan deliberation.

What he speaks of here and what he addresses our attention to is essentially, in my view at least, a new federalism. His concept for a national energy and employment adjustment fund in essential terms is something I can support. The kinds of concerns he identifies with the allocation of petrodollars with respect to producing provinces and the difficulties in which the

consuming provinces find themselves are, as far as I can determine, as he describes them.

He has a statement to which I haven't heard any participants in the debate so far address their attention. In all of the 20-odd pages of this document in so far as the constitutional aspect is concerned I found no more interesting and, perhaps, no more startling a statement than the question which opens the third full paragraph on page 17. I want to quote that particular sentence.

"Were Canada a unitary state, the energy crisis to Canadians would be much less of a crisis."

That's a remarkable question to be put by a Premier of Ontario. I really wonder what the intention was there. I suspect our friend in Alberta would look upon that and, indeed, Mr. Peckford in Newfoundland and a lot of others would look at that particular question and wonder as to why it was included at all.

The basic and bottom line of this particular document, as I understand it, is a call for federal leadership in this critical matter. Let me quote again from page 10, if I might The Premier states: "Leadership by the federal government will be absolutely essential if these funds are to be mobilized effectively."

Again, on page 18, he directs our attention to not only the absolute importance of federal leadership but also how some of the methods and how some of the leadership might be gained. I quote from page 18:

"In the first instance, the federal government should pursue such an arrangement by negotiation among Canadians. However, it should be well understood by the federal government that it is charged with the responsibility. It has the legitimate constitutional authority to avert an intolerable economic and social danger. If necessary, the federal government must use its influence and constitutional authority to direct oil and natural gas revenue flows in accordance with agreed national objectives."

A clear plank in the Davis thesis is this call for federal leadership.

I want to associate myself entirely with remarks put by my colleagues and my associates in the New Democratic Party when we look at the federal leadership which is being exerted in Ottawa under the new administration. As a Canadian, I am alarmed at Joe Clark's view of federalism, his idea of leadership. He has given away more in the past three or four months. This very week he proceeds in the face of all knowledgeable comment, to dismantle our national oil company. It is the Joe Clark federalism as it has been outlined in the past few months that this Premier, the one half of the Stroud alliance, offers as kind of leadership that we are led to, that we are called upon to seek for an answer to these troublesome matters.

I certainly hope the new federal administration is able to change its ways in this connection because, on the basis of early performance, I hold little or no hope for any leadership in that connection.

But to be more parochial, what can we say of leadership in Ontario? That leads me to the Welch document. I was perhaps fortunate among members of the assembly to have been in attendance at the Minister of Energy's press conference some days ago. I agree with my colleague from Brant-Oxford-Norfolk (Mr. Nixon) that the honourable member for Brock, the revolving door of that Treasury bench, has had a considerable influence in the public policy of his time in this assembly. But I never felt quite as sympathetic to him as I did on that morning because he had been dispatched by the powers that be, surely Malcolm Rowan and the other minions who devised this particular document, to go forward and to defend the most transparent pettifoggery that I have ever witnessed. The process, as has been pointed out by others here, read clearly that there was nothing of substance in this particular document.

The Premier ends his particular contribution by pointing out on page four of the last appendix that the business sector is expected to play a catalytic role.

If you read the Welch document, the business sector is expected to play the only role because there is not one shred of specific provincial government commitment in this document. I think the new Minister of Energy, notwithstanding all his experience and the considerable nerve that brought him forward to the press conference to announce this grandiose nothing, should be ashamed. I hope tonight he might flesh it out. He might, in the words of his federal leader, give some specificity to the totality of this government's commitment. I ask him and I ask any reasonable person to indicate what there is in this document by way of specific documentation.

They talk of tax credits for transit riders, and we shall look next spring, if not earlier, for those commitments. We in rural eastern Ontario without any public transit of any account shall look very carefully for the specifics of his offering. I certainly want to tell him that he will have to improve upon the nothing that is the central thesis of the

government's commitment in so far as his document is concerned.

I want to wind down these few remarks by drawing his attention to a document which I have read and enjoyed considerably, Mr. Arthur Porter's A Race Against Time. I'm wondering whether or not the minister has had the opportunity to consider some of the options and some of the alternatives spoken of by that honourable gentleman. In particular—and speaking now as a parochial eastern Ontario member—I am wondering whether or not the Minister of Energy and his colleagues have had the opportunity to assess whether or not there is viability in the 1,500-megawatt potential identified by Mr. Porter in the energy forest concept for eastern Ontario.

I think it is incumbent upon the Minister of Energy in this kind of documentation to flesh out these kinds of alternatives. I am particularly attracted to that option for my part of rural eastern Ontario. If there is 1,500 megawatts to be derived from the energy forest concept, I want to know exactly what this government and this minister are going to do about it.

Finally, I want to ask as well whether the honourable minister has had any opportunity to reflect upon a recommendation which I think is extremely important, a recommendation which I support entirely and one which is offered by Mr. Porter on page 181 of his A Race Against Time.

He writes: "The internationally recognized research capability of AECL could be of substantial assistance in the development of renewable energy technologies. It is our belief that significant benefits would accrue to the people of Canada and Ontario if the nuclear research laboratories of AECL were converted to a national energy laboratory."

Has the minister and has that cabinet entertained that kind of recommendation, which I think, is one of relevance, one of vitality, and one of possibility? Could he now or at an early opportunity respond to those kinds of specifics, those kinds of meaningful alternatives that were so tragically and so noticeably lacking in the Welch document of a few days ago?

Hon. Mr. Welch: I'm very grateful, as I'm sure many members of the House are, to the three House leaders for arranging very early in this renewed session an opportunity for a fairly full and complete discussion on this whole important question of energy revolving, as this discussion does, around the two policy papers frequently referred to during the course of the day—the Premier's paper of August, Oil Pricing and Security: A Policy Framework for Canada, and the second paper released on October 1, Energy Security for the Eighties: A Policy for Ontario.

The member for Halton-Burlington (Mr. J. Reed) and I are to wind up today and I want, in fairness, to provide him with ample time for that purpose. In doing so, I will have very quickly to make some references, and perhaps we'll have an opportunity to do some of these things in more detail at some other time.

[10:00]

Certainly, on the question just raised by the member for Renfrew North dealing with this whole matter of federalism, it is not a surprise to me that he might not recognize the new approach to federalism at present being exercised and demonstrated by the new administration in Ottawa; because the previous administration and those before it had so eroded the true concept of federalism that there is little wonder he can recognize the fresh breeze blowing through Ottawa in the consultative process about which Mr. Clark, and all his candidates, talked prior to the May 22 consultation with the people. There is a fair degree of consultation.

Indeed, whether or not the member for Renfrew North recognizes it, he has put his finger on one of the strengths of the present administration: They are spending a great deal of time in consulting with the provinces—

Mr. Conway: Joe Clark is going to make Mackenzie Bowell look like Napoleon.

Hon. Mr. Welch: —indeed, I think this is part of the whole federal approach about which many of us find a great deal of strength and encouragement, whatever might be the outcome.

Mr. Conway: Guts, Bob, lack of guts.

Hon. Mr. Welch: There have been some very interesting contributions to this discussion during the course of the day. I hadn't intended, because of time limitation, but I want to zero in on what seems to be the very legitimate concern of a number of members of this House with respect to some of the particulars in the second paper. I wanted to concentrate on two areas—particularly renewable energy and conservation—and take as read, perhaps, the position of the government as it relates to this whole matter of oil pricing and security.

However, to provide me with some opportunity simply to summarize what has already been spoken to in regard to this subject—

Mr. J. Reed: Take five minutes of my time,

Hon. Mr. Welch: —I would like to comment on some remarks made by the member

for Kent-Elgin (Mr. McGuigan) and the member for Sarnia (Mr. Blundy) since they ring now in my mind as far as tonight is concerned.

I cannot understand how any member of this House can still stand up and say, as the member for Kent-Elgin said, the government has to stop acquiescing to increased energy costs; and the member for Sarnia can urge the Premier and the government to take a stronger stand on oil pricing. Where have they been for the last several months? Why aren't they reading the papers with respect to the whole issue? What did the Premier say again this afternoon?

Mr. Roy: He said it, but don't believe it.

Hon. Mr. Welch: Perhaps I could simply sum up this question of pricing once again, for the benefit of these two members. The position of the government of Ontario was made public once again prior to the meeting of the Premiers in August.

First, as far as immediate pricing policy was concerned, take a look at page four of the first document referred to in the 18th order on the Order Paper:

"Ontario recognizes external pressures for crude oil price increases. Moreover, Ontario is determined to play an active, positive role in national energy policy, nevertheless bearing in mind Canada's continuing capacity to choose its own policy, the present dangers already before our economy and the impact of pricing increases under present pricing arrangements."

I would draw this to the attention of the two members to whom I have already made reference, and the entire membership of the House: Ontario is opposed to any immediate price increase beyond the current January 1980 agreement which calls for a dollar-per-barrel increase. How much more clear, how much more definite, how much more positive can a statement be?

Secondly, as part of that summary, the Premier's policy statement enunciated several times that if Canadian oil prices are allowed to rise substantially at any time, there has to be a basic change in revenue flows and energy and economic policies to achieve national oil self-sufficiency, avert an unnecessary recession, avert undue hardship on the consumer and enhance industrial adjustment.

I think that is pretty clear, fairly positive, fairly obvious with respect to our stand. In this connection, in case there is any misunderstanding, I repeat what the Premier said today on this subject. No member of the government of this province has entertained or has supported or has advocated a $5 increase in the price of crude oil. The position of the government of Ontario is as summarized on page four of the August document.

While there have been some very interesting, helpful, constructive and objective contributions to this discussion, I share with my colleague, the member for Brant-Oxford-Norfolk, the fact that perhaps more members might have found this of some interest. One can't really comment as to what other priorities obtain, but members of course have other commitments.

There have been some very interesting observations on the question of efficiency and enterprise and that very interesting concept of the productivity of energy. I could go on to make reference to a number of the contributions which have been made in this discussion. But I would like in some way simply to say to the member for Brant-Oxford-Norfolk that I certainly accept his concerns with respect to the use of that term "Ontario self-sufficiency." It's obviously not what was intended. Ontario is very much a part of the country, and it was my feeling, in using that particular approach and in responding to that particular concern, that this would be Ontario's contribution to the overall Canadian move to self-sufficiency.

There are those who are talking in terms that perhaps the better expression would be self-reliance. I am not going to get involved in the vocabulary, particularly with my friend from Brant-Oxford-Norfolk because he was far better in English than I.

Mr. Roy: There's no problem.

Hon. Mr. Welch: I think that perhaps the point is made that whatever we do in moving from reducing our reliance to the tune of 80 per cent and bringing that back to 65 is helping the country itself in a very important area.

Time is fleeting. I think we should really talk about the second paper, the paper that the member for Renfrew North was referring to as he was holding up and shaking before the House the first paper. Because the colour of the first book is much lighter than the blue of the second book, I wouldn't know that he would recognize exactly which paper he was holding up at the time. Indeed, I wonder if he has read either paper.

He was in the audience and he was very kind. I do appreciate his concerns with respect to that, but he would be the first, in fairness, as a graduate of Queen's where I think that tolerance is almost prescribed as part of the curriculum, to recognize that what was presented at that time was a policy

statement. It was a framework. It was clearly understood that there would be further details with respect to it.

Mr. Roy: A PR exercise.

Hon. Mr. Welch: Surely we should be proud to think that we are associated with this in this House, together with those who see some need to establish some goals and some ideals and to put before the people some objectives in a very important field, and then, quite rightly, to respond to questions such as those raised by the member for Renfrew North and with vigour by other members of the House including the member for Carleton East (Ms. Gigantes) and the member for Ottawa West (Mr. Cassidy), as to what are some of the details, how are we going to reach these goals and how are we going to accomplish this program.

I think that's reasonable and having raised that, let me share with members why I feel that these goals, particularly in the renewable energy field, are attainable and how we can together—

Ms. Gigantes: The suspense is killing us.

Hon. Mr. Welch: —through some innovative ways have an arrangement both with respect to government involvement and the private sector.

One important matter, which obviously then has to be clarified in this discussion in the light of some of the comments which have been made during the course of this very interesting day, is the question of our target for renewable energy, the target of five per cent of our total energy supply picture by 1995. It's an ambitious goal, and I'm very proud to have announced something with that type of goal which will require the investment of some $16 billion over the next 15 years. Some have suggested this is not a realistic target.

Mr. Cassidy: We have suggested you are not carrying your load.

Hon. Mr. Welch: I point out I haven't heard too many say that. Indeed, one of the interesting things about this discussion—and I have paid very close attention; I have been here all day—is the fact there's very little disagreement with the objectives set out in the policy paper.

Ms. Gigantes: It's too low.

Hon. Mr. Welch: Let me tell the honourable member she knows it's not too low. She knows it's not too low.

Ms. Gigantes: Too low, forget it.

Mr. Cassidy: Where were you four years ago?

Hon. Mr. Welch: We took two per cent in the year 2000 and brought it back to 1995, and increased it to five per cent which was very ambitious.

Mr. Cassidy: It took years of insisting before you increased it.

Hon. Mr. Welch: We are optimistic. I don't apologize for my optimism. I don't apologize for my confidence in the private sector of this country. I am delighted to have this responsibility at this time in the history of Ontario and Canada.

An hon. member: A time for the Lord's Prayer.

Hon. Mr. Welch: There have been those who have suggested this is not a realistic target on the grounds that the government has not promised to put up all of this investment in energy out of taxpayers' dollars.

For one thing, Mr. Speaker, may I say as I rush to provide some time for the member for Halton-Burlington to enter this debate the one thing I don't feel I have to apologize at all for being less prudent with the use of taxpayers' dollars than the member for York South (Mr. MacDonald)) might like me to be. It has always been this government's approach to show great respect for taxpayers' dollars and the ways in which they are spent. Obviously, there are those who would just simply like to commit them without any particular concern.

Secondly, and I have to say this somewhat surprises me, I think it's most ironic that some of those same critics opposite who have been urging us for some time to rely on the wholesale use of renewable energy are now the same individuals who are saying private industry won't invest in renewable energy projects.

Their reason, of course, is they don't expect renewable energy to pay for itself. Quite frankly, Mr. Speaker, they can't have this both ways.

Either renewable energy is an attractive option or it isn't. If it's attractive, then there's no reason why private industry, which has always shown great initiative in this province, wouldn't latch on to it as a good thing when they see it.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Welch: As for the government, our position, as I outlined in the paper Energy Security for the Eighties, is renewable energy, and recoverable energy can and must play major roles in helping to meet Ontario's growing energy needs by 1995 and beyond. The question of how we propose to meet that share is also fully outlined in

that report which has been endorsed as government policy. I leave that for you to go over once again.

First of all, hydraulic energy, water power as most of us know it, would be developed in northern Ontario to provide an additional 2,000 megawatts of electricity by 1995 with an investment by Ontario Hydro of some $1.7 billion over the next 15 years.

Solar installations on both residential and commercial properties will account for between $5 billion and $10 billion in investment. There is today in this province quite a sizeable solar industry. Seven of the 10 solar industries in Canada—

Interjections.

Mr. Speaker: Order. Would the minister consider harnessing some of the wind energy? We could use it in the north.

Hon. Mr. Welch: You are referring to the atmosphere, Mr. Speaker, and harnessing it. Mr. Speaker, you and I have already discussed that matter. On another occasion I would be very happy to take that up with you.

There is today in this province quite a sizeable solar industry. Seven of the 10 solar industries in Canada which are receiving federal government assistance are located in this province, but we all must realize that solar components are still a bit pricey. Some people have suggested the government has not allotted enough effort or funding to solar energy.

I would point out to those people that to achieve a 1.8 per cent target for solar energy in meeting our energy needs by 1955 would require the equivalent of solar heating installations to supply a substantial amount of the space heating for 500,000 homes. At the same time, it would have to provide half the domestic hot water for 1.5 million homes in this province over those years compared to just a handful of installations today. As we rush through these energy from waste projects—

[10:15]

Mr. Cassidy: Another palm-off case by the Minister of Energy. Your predecessor got the same lines from the officials.

Hon. Mr. Welch: I can talk with some experience on this because of the involvement of the provincial government and the municipal governments and private industry now in a three-way funding arrangement—even in the Niagara area with Ontario Paper and General Motors, to mention only one part of the province—substantial investments. The Ontario Energy Corporation is involved in a minor way with 80 per cent of the money insofar as our project in the Bruce Peninsula is concerned, using waste heat from the Bruce nuclear power complex.

I could go on and talk about biomass and give all sorts of illustrations involving substantial public investment in so far as this industry is concerned. One that the member for Renfrew North was anxious that I comment on—so anxious that he couldn't wait for me to finish because he has left—

Mr. Roy: He is right there. He is still listening to you.

Hon. Mr. Welch: He is there? We have the forest industry renewable energy program and there is a fairly significant investment there.

If time permitted, in addition to going on with some particulars, to add flesh to the framework to which reference was made, we could talk about conservation and all that we plan to do with respect to zero crude oil growth. I would simply once again direct the attention of the members of the House to pages 15, 16 and 17 of the September paper, which are fairly specific with respect to a number of very practical steps that would be taken in this whole field of conservation.

Ms. Gigantes: Things you could do; things that might happen.

Hon. Mr. Welch: I agree with what some of the members of this House have said, that in order to accomplish it we have to create the right attitude, we have to create that type of optimism, that type of enthusiasm, with respect to these projects, to get the type of public support we need. We must get some recognition of the seriousness of the situation, and share the information that is necessary for people to establish that credibility that will have to support some of the positive programs in the area of conservation, on which many of us have already spent a great deal of time analysing and evaluating.

I do apologize to the member for Halton-Burlington for a bit of intrusion on his time. Certainly there is a great deal more that should be said, particularly in view of the Speaker's interest in this whole question of energy from wind. I know he would even want to see the rules of the House amended in some way to allow me to spend a bit of time on that, but I will do that with him privately at some time.

I do conclude, as I started, by thanking the House leaders for making it possible for us to have this discussion. I regret that we can't get more of this on the record as part of this debate; but perhaps this has been the proper way for the Minister of Energy, at this time, in assuming his responsibilities, to hear what

other members of the House really feel on this very important matter of public policy.

Mr. J. Reed: Mr. Speaker, I facetiously offered the minister five minutes of my time. I didn't know he would take it seriously.

However, I first of all have to welcome the minister officially to his portfolio. He is the fifth minister in three short years to grace the Energy chair since I have become critic. So I say welcome, and I appreciate the amount of energy he put into that speech. It is a good sign, it is a positive sign, and we look forward to more.

Isn't it a little ironic that this next Sunday represents the 100th anniversary of the invention of the electric light bulb?

Many words have been spoken today about Petrocan and the value it is to the Canadian energy scene, and I won't dwell on that. I am relegated to a series of one-liners.

We have already agreed that the term "federal self-sufficiency" should really describe the kind of direction we have to go in Ontario. Ontario then, we agree, has to make its contribution to the Canadian energy scene—to Canadian energy self-sufficiency. The member for York South very eloquently talked about the incredible misdirection of energy investment in this province—the 4,000 megawatts of excess power where an extra million dollars is now being spent to tell us all how lucky we are.

That brings me to the first of two messages I will try to put to the government tonight. I do it in the spirit of co-operation and with deep concern and seriousness. They are what I would like to refer to as the two great energy illusions that persist in Ontario.

The first concerns the electric power potential that exists in this province. We are overbuilt; we are grossly overbuilt. We are overinvested and we have miscalculated. I think we have to recognize that fact and deal with it as it is. It's a very dangerous perpetuation of an illusion if we try to convince ourselves that $4 billion of excess capital investment in electric power is somehow going to save us from impending oil scarcity which may come on the scene. It's a false illusion; it's a dangerous illusion.

Anybody who stops for one minute to think of the technology involved in transferring petroleum utilization for instance—liquid fuel utilization if you like—into electric power utilization will appreciate that difficulty. Some transfers can happen. Electric power is indispensable for some jobs and others it does very well. Some it does less well and some can be interchanged.

But I put it to the Minister of Energy and I put it to the people of Ontario that we're living in a never-never land if we think that 4,000 megawatts of surplus electricity, which is costing each and every one of us about $50 a year in carrying charges, is going to somehow save us from a political upheaval in Saudi Arabia or the effects of new changes in policy by the ayatollah. It simply won't. I think we should face that.

Our energy crisis in Ontario is not going to come from the wall plug. We know that; let's accept it. It's going to come in the heating oil tanks and it's going to come at the gas pumps. Let's understand that there's a difference in energy. It's not all the same and you can't lump it all in together. In spite of the fact you can interchange some of it, you can't easily interchange all of it. So let's accept it and go from here in the positive direction we have to head in right now.

I'm very concerned when the government talks about its entry into new areas. I'm very concerned about the government's attention to the existing energy resources it has here in the province now.

Yes, Hydro made an announcement 14 months ago which the Minister of Energy reannounced in his self-sufficiency paper about 17 new hydraulic sites with 2,085 megawatts of peaking power and such an investment. I ask the minister to go back into his office tonight or tomorrow and find out what's happening to the existing small hydraulic resources that were in place this spring and are now no longer. I ask him what the province is doing about the existing sites that are in Ontario—the ones that either should be refurbished or operated.

He talks a great deal in that paper of his about the private sector—about the involvement of the private sector. Let me tell the minister that so far the Ministry of Energy and the Ministry of Natural Resources have not even been able to get together long enough to sort out the private sector's interest in small hydraulic power. How does he think he's going to handle the $16 billion or whatever great figure he's given to us?

Let's start with number one and go from there.

The other illusion that the Premier creates when he talks about his oil prices is that the oil supply will not diminish. That's the illusion he creates when he fights the oil prices. He has said in as many words that he does not want the increase in oil price to signal conservation in this province. That's fine, I can accept that. I can accept that price increases are a very rough kind of justice, and that they are only partially effective when it comes to effecting a kind of conservation because the people who can afford it the least

end up doing without, the people who can easily afford it end up going on the same, the people who have bargaining contracts can bargain it into new union contracts, and the manufacturer who is using it, can pass the price on to the consumer in the end.

But the illusion is created when the Premier stands up and talks about oil prices and his concern, and does nothing on the other side—the side of supply or to supply some alternative—the illusion that the oil will continue to flow. You know and I know as does everybody who looks at the graphs, and Ontario's energy reports' own figures show, that the domestic supply is declining at an accelerating rate at the present time, and the demand growth is going on. There is nothing in between to take up the slack.

Let's face that reality, and let's share it with the people of Ontario. Let's not be afraid to do that, for heaven's sake.

The Minister of Industry and Tourism (Mr. Grossman) talked about marshalling resources, the need to marshal resources, and in that I couldn't agree more. That leads me to five minutes of something I would like to take half an hour to talk about. That is that Ontario, a year ago, did a study on a liquid fuel alternative for this province. It suggested that the liquid fuel alternative, which in this case was fuel-alcohol, was unfeasible. I've got the thing here, I'm not going to quote from it, but it starts off, "In recognition of the presently unfavourable economics of production"—and so on.

It is interesting that coincidental with the study that was done, a federal study, a copy of which I have here, says, "The cenral conclusion of this report is that liquid fuel markets offer the opportunity for major new Canadian renewable resource development."

I want to say something about the $5 billion we ship out of this province in terms of energy imports into this province, and the contribution that a fuel alternative in Ontario could make to our economy. The Minister of Industry and Tourism talked about marshalling resources. Five billion dollars worth of money turning over in here represents about 150,000 jobs.

The feed stock sources for such an industry represent the worst environmental problems we have at the present time—the urban garbage; the problem with reforesting and managing our forests properly because of the slash that's left in the bush that has to be burned off before we can properly plant the trees—the feed stock alternative.

The other great feed stock that has been ignored up to this time, and we fly over 2,000 miles of it to drill for gas at Ellesmere Island, is peat, which we haven't even thought about intelligently yet in this province. Yet with all of these things, and with all of the contradictions, the government has chosen to accept the provincial study as being the be-all and end-all and to deny Ontario the potential for one of the greatest new industries it could possibly bring here. Every dollar turned over in such an industry or an industry like it, is a dollar that is new to this province, because it is a dollar that is now leaving the province and would be a dollar that stays in.

All I would say, and I plead with the minister tonight, is that conditions have changed over the last year. Many of the reasons that were given in that methanol study, done for your ministry, have now altered. If we take a time line in terms of the establishment and maturity of such an industry, we have to understand that by that time we may have an entirely different set of economic circumstances.

[10:30]

It may very well be that an alternative fuel for the province of Ontario may be even more feasible than it is this year. I'm not saying we have all the answers, but I am suggesting to the minister that he go back and open that book again and open this federal book again and maybe give me a phone call and I'll help him and we'll get on the ball and get something done here.

It's happening everywhere else in the world, incidentally. Even New York City began to use a 10 per cent mixture of methyl alcohol in its gasoline on October 11. Fifteen states in the United States have been doing it for some time. Brazil has been doing it for years and is upgrading it. Scandinavia has already made an agreement with the Volvo Motor Company that it will be marketing alcohol-fuel engines by 1982. France and Germany are upgrading their fuel alcohol component. Ontario, which lacks those traditional petroleum resources, does have this great potential to make a contribution to Canadian self-sufficiency that is unique and that can be shared with every province in Canada.

The Arabs were right three years ago in saying that petroleum is too precious a resource to be simply combusted. It's too valuable to our petrochemical industry to be simply combusted. Let's find the other way and share it as Canadians.

Mr. Speaker: As the agreed time allocation for sessional papers 181 and 182 has expired, these items are discharged from the Order Paper.

According to standing order 28, the member for Ottawa East has given notice that he's dissatisfied with an answer. He will have up to five minutes to explain why.

FRENCH-LANGUAGE EDUCATION

Mr. Roy: Mr. Speaker, I will get right into the subject, having only five minutes. I want to say to the minister—and I'm pleased to see her predecessor as Minister of Education (Mr. Wells) here this evening—I'm not sure she realizes the importance of an autonomous, homogeneous French-language high school for students in the Penetang area and in other areas of the province where there are such pressures towards assimilation. Penetang is a small town in a much larger anglophone area.

I'm not sure the minister realizes that the school for the francophone minority is the whole focus today of the survival of their language and their culture. Having said that, I'm sort of convinced the minister does not realize that, having accepted the reversal of policy she did in her statement of October 5.

I want to say to the minister that it's obvious there has been a reversal of policy on the part of the minister. Previous Ministers of Education, when the pressure had come on and when the need had been seen to provide French-language secondary education, proceeded by insisting on it. We started with Sturgeon Falls, if members recall the election of 1971. We had Sturgeon Falls, we had Cornwall, we had Essex and now we have Penetang. In these three previous situations, a decision was made at that time on the part of the government to give the best possible French-language education, which was for francophones to have their own schools. Unfortunately, that has changed.

What is sad about it is that it has changed not only for Penetanguishene, but the minister's statement talked about the 35 other schools and the 10,000 students in the other schools. That policy is now one of the so-called mixed schools. French-language education will be supplied for what is called by the minister the French-language school entities.

I want to say that is not satisfactory. It is incumbent upon the minister to give an explanation as to why there has been a change of policy. It is incumbent upon the minister to give some explanation as to why she is accepting a policy which does not work and which officials in her ministry have recognized is a system whereby French-speaking people are assimilated in these schools.

Hon. Miss Stephenson: Which officials?

Mr. Roy: Just read your own report. Ask your predecessor. He will tell you.

The part that is sad about it is that not only has it not worked in the past, it will not work in the future—and the present schools will not accept it. The evidence of this is that French-language CBC has had a survey over the last few days which was put on the air this evening. They communicated with the directors of 34 of the schools, in other words 34 schools over and above Penetanguishene. In all of these they said the solution as proposed by the minister was not acceptable; the solution to their problem was their school. That is the response on the part of the directors of 34 of those schools. Check with CBC. The minister is usually behind; just listen, just take notes.

Hon. Miss Stephenson: Oh, come on.

Mr. Roy: Secondly, they communicated with the French-language advisory committees —with the principals of those schools if you want the right word for it, the principals of the schools. They communicated with the French-language advisory committees, and of all the committees in the province pertaining to these 35 schools, only two said they would apply for funds to satisfy what the minister calls French-language school entities.

It has not worked in the past, it's not acceptable to the schools now, and the minister has evidence. The minister, in her own way, whether it was deliberate or otherwise, the fact is when she gave examples that have worked in Hamilton for instance, this was denied by the school in Hamilton.

I want to say this, Mr. Speaker; we talk about leadership and the parties being for or against national unity. I want to bring to your attention that Rene Levesque and the boys in Quebec have a reputation of being tough on the English minority in the province. I want to tell you that just recently the province of Quebec, in the area of Campbell's Bay in western Quebec, approved a school for 250 English students at a cost of $2.2 million. English-speaking students at Campbell's Bay in western Quebec will have their own homogeneous school; yet that is fewer students than are presently in Penetanguishene, and that is by a government which professes to have the interests of the minority at heart.

Mr. Speaker: The honourable member's time has expired.

Mr. Roy: I think the minister's new policy is dictated by Clair Hoy where he said, "French schools? Enough is enough." I'm sad to hear that. I'm sad to see the minister take that policy.

Mr. Speaker: The Minister of Education for up to five minutes.

Hon Miss Stephenson: Mr. Speaker, the member for Ottawa East is, of course, as he frequently is, entirely wrong. There has been no change or reversal of policy. The policy which was established in 1968 to ensure the provision of French-language instruction throughout the school system for the francophone students of Ontario has been supported, and is being further enhanced by the statement and the activities which the Ministry of Education is undertaking related to primarily the 26 mixed schools in areas where there is no freedom of choice of the individual to attend a totally francophone school.

The report which he suggests was written by a member of the staff of the Ministry of Education, of course is that, I think, which was written by Stacey Churchill, a member of the staff of OISE, in which he examined the problems of assimilation. We are extremely sensitive to the concerns of the francophone community, to the problems which they perceive in the area of assimilation. In the light of the twin problems of declining enrolment and very real constraints upon our capability, it was decided that the thing we could do best in support of the slowing of assimilation of francophones in the province of Ontario was to ensure that they had an entirely French-language program throughout the length of their school system.

Mrs. Campbell: Why would they want to slow it down?

Hon. Miss Stephenson: In 1968, there were 90,000 students in French-language elementary schools in the province of Ontario. Declining enrolment over the decade has reduced that total number to approximately 70,000 last year. But there were, in 1968, only 3,000 students receiving secondary education entirely in French, and they were entirely in private schools. Within that decade there have been established in this province 25 entirely francophone schools; not all of them in new buildings, but in those 25 schools are being educated 20,000 francophone students.

Mr. Roy: Great.

Hon. Miss Stephenson: There are, however, 10,000 students remaining within the mixed-school system. What we are proposing to do is to remove those students, if they wish to be removed, from that mixed system to a homogeneous French-language school entity.

Mr. Roy: The principals said it won't work.

Hon. Miss Stephenson: A school does not necessarily mean a building or a separate building. A school means, primarily, the provision of a program. That is the thrust which we are attempting to pursue within the Ministry of Education.

I think it is an important thrust because the aspirations of the francophone community very definitely are the maintenance and support of their language and culture. I have been informed by educators that the most important component of that is the provision of French-language educational program. That is precisely what we're attempting to provide for these 10,000 francophone students.

I'm perfectly aware that Rene Levesque, in his usual distorting fashion, and particularly some of the newspapers of Montreal, refuse to understand that Ontario has made a strong commitment to the provision of French-language educational programs for the francophone students in this province. They refuse to look at the record which this province has demonstrated over the last 10 years. They refuse ever to pay any attention to the fact that we have provided schools for almost 30,000 children in the secondary school system and that the 10,000 who are not achieving the full French-language program will now have the opportunity to do so.

I don't know where the CBC got all of its information, but I am aware that the deputy minister met with directors of education and with principals in northern Ontario, where most of those schools happen to be situated, just on Friday of last week. He was received with a great deal of enthusiasm because indeed—

Ms. Gigantes: Give them a secret ballot on it.

Hon. Miss Stephenson: —those people were in support of the idea of improving the French-language program for francophone students. It is quite possible that within the next two or three years as a result of the very dramatic declining enrolment within the secondary school system there will be secondary school buildings vacant and available to move francophone students to entirely from potentially—potentially, I say, because it may happen that they will contact in the school entities which we're talking about—

Ms. Gigantes: Sort of a leftover school system.

Hon. Miss Stephenson: —from time to time some anglophone students and hear some English, and to remove them from that into their own buildings. It is really very difficult

at this point to justify the expenditure of hard-earned taxpayers' money—

Mr. Roy: There's your priority.

Hon. Miss Stephenson: —to build buildings where indeed within two or three years there will be ample buildings available as a result of the decrease in numbers of students who will be using secondary school buildings.

Ms. Gigantes: That hasn't worked at the Carleton Board of Education.

Hon. Miss Stephenson: We're working diligently in the direction of improving the educational program for the students and we intend to keep on doing that.

ASSAULT CASE

Mr. Stong: Mr. Speaker, I would have thought that the Attorney General (Mr. McMurtry) would have regarded this situation, this problem, important enough to answer himself. I am not on a personal witch-hunt, I want to assure this House, nor is there a vendetta against Mr. Thomas Wardle, Junior. I personally do not believe in kicking a man when he's down.

My concern, however, transcends the individuality of this case. The other day I asked about the deterrent aspect of a particular court procedure at hand. I asked about the satisfaction of the public's right to know. I asked about the preservation of the integrity of the judicial system. It is trite to say that in protecting our system of justice not only must justice be done, but justice must be seen to be done. In other words, in every case there must be an appearance that justice was done. I mean justice independent of any preferential treatment.

For most of the public the only contact with the administration of justice is what is reported by the various media covering court cases. What kind of a blight, then, is there on the judicial system when it is made to appear to one of our local newspapers, "that there is one law for the rich and another for the poor"; or to put it in another way, one form of justice for those with connections, another for those without pull?

That observation is not unwarranted in this particular case, for when we study the short transcript of the evidence adduced at the trial we find that three times in the four-page transcript the judge asked for assistance in ascertaining all of the facts. Mr. Wardle pleaded guilty to the charge of common assault. The crown attorney read in the facts and they consisted of one Constable Marvin Maxmenko, a security officer at the Royal York Hotel, who was on routine patrol and saw Mr. Wardle in the washroom of the hotel and questioned him with regard to the proper use of the washroom facilities after producing his badge to the accused.

Those facts were read in and accepted by the defence counsel. Subsequent to the defence counsel making certain representations the court asked for the first time, "What was behind the whole business? Why couldn't Mr. Wardle use the washroom?"

The defence responded that those were the only facts they were admitting. The court again asked what was behind all this. It seems like such an innocuous thing for a man to use the washroom. Why wouldn't he be queried?

[10:45]

The defence counsel again said the only charge before the court was common assault. The crown attorney interjected, saying, "The only charge before the court is common assault and I am here to prosecute that charge. I have read in the facts pertaining to that charge and I can't do anything else but tell the court that. He was questioned as to the proper use of the washroom facilities and that is all I intend to read into the record."

For a third time the court said, "I think the obvious question is what caused all this to happen." Again, the crown attorney answered, "Your honour is an experienced trial judge and your honour can read between the lines a lot of the time. I can tell the court that I am only reading in those facts pertaining to this charge."

Mr. Speaker, in sheer frustration the judge remarked, "I must say that were it any other person before me for this offence with those facts, the one question I would want to ask is obvious. I am not going to insist that it be answered. I am not going to ask that anything more be told. You accept that reading between the lines. I think that a conditional discharge would be more proper."

Because he couldn't get the answers to his question, the judge was left no alternative. Because of that, I believe this matter does not deserve being referred to a judicial council for review; rather, in my opinion, it is incumbent upon the Attorney General of this province to answer to this House, to the citizens of Ontario and to all interested in the preservation of the judicial system the following questions:

Did the Canadian Pacific constable submit a report of his investigations to the Metropolitan Toronto police? What actions did the Metropolitan Toronto police take upon that report? Why was it left to the CP constable

to lay a private complaint? What assurance can the minister give us that in this particular circumstance Mr. Wardle did not receive preferential treatment by virtue of his position in society?

Mr. Speaker: Since there is no response to the honourable member's dissatisfaction, this House stands adjourned until two o'clock Thursday afternoon.

The House adjourned at 10:50 p.m.

CONTENTS

Tuesday, October 16, 1979

Consideration of energy policy papers 181 and 182, concluded: Mr. McGuigan, Ms. Gigantes, Mr. F. S. Miller, Mr. Nixon, Mr. Renwick, Mr. Blundy, Mr. Charlton, Mr. Conway, Mr. Welch, Mr. J. Reed 3551

Debate re answer to oral question on French-language education: Mr. Roy, Miss Stephenson 3575

Debate re answer to oral question on assault case: Mr. Stong 3577

SPEAKERS IN THIS ISSUE

Blundy, P. (Sarnia L)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Charlton, B. (Hamilton Mountain NDP)
Conway, S. (Renfrew North L)
Edighoffer, H.; Deputy Speaker (Perth L)
Gigantes, E. (Carleton East NDP)
Haggerty, R. (Erie L)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Roy, A. J. (Ottawa East L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)

Ontario

No. 85

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, October 18, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House met at 2 p.m.

Prayers.

ATTORNEY GENERAL

Mr. Stong: Mr. Speaker, I seek your direction. I have a point of privilege relating to the Attorney General (Mr. McMurtry). He is not in the House at this time and I would prefer to wait until he is here, but I await the direction of the chair as to when to bring my point of privilege forward.

Mr. Speaker: As it has something to do with the Attorney General, I think it's preferable that you wait until he is in attendance.

STATEMENTS BY THE MINISTRY

LAND REGISTRATION

Hon. Mr. Drea: Mr. Speaker, today I would like to introduce amendments to three acts which are the responsibility of my ministry: The Land Titles Act, the Registry Act and the Certification of Titles Act.

The amendments clarify the wording and remove obsolete provisions. While essentially housekeeping in nature, several of these amendments are a step toward significant improvements in the entire system of land registration in Ontario.

These improvements, now commonly identified as Polaris, the Province of Ontario Land Registration Information System, will increase efficiency and provide better service to the people of Ontario while ensuring protection of property titles.

Two systems are now used: The land titles system and the registry system. The major difference is the guarantee of title provided by the land titles system. Seventy per cent of the more than three million properties in Ontario are under the registry system.

Because of the volume of records—currently there are 35 million documents, one million plans and 26,000 registers—an annual growth rate averaging five per cent and the totally manual nature of the operation, the entire system is clearly overloaded. It must be updated through computerization of indexes and records. Maintenance must be improved by the adoption of microfilm systems for document and plan storage.

A great deal of work has gone into this project, Mr. Speaker, since the Ontario Law Reform Commission in 1971 stated that reform was "urgently needed." The land registration management committee of my ministry, which studied systems in other jurisdictions as well as those in Ontario, presented its report last year. Implementation of the recommendations in the Polaris report will be facilitated by amending the legislation.

A direct benefit of the new system, which will be phased in to avoid disruption and inconvenience, will be savings to the users through the avoidance of substantial increases in operating costs.

Mr. Speaker, I ask the co-operation of the House to ensure swift passage of these amendments in order that we may proceed with the task of land registration improvement.

FIFTIETH ANNIVERSARY

Hon. Mr. Elgie: Mr. Speaker, I wish to bring to the attention of members today the anniversary of a significant event in Canadian history.

Fifty years ago today, five prominent Canadian women—Magistrate Emily Murphy, Henrietta Muir Edwards, Nellie McClung, Louise McKinney and Dr. Irene Parlby—won a 13-year struggle for recognition of Canadian women as persons.

Women had previously acquired the right to vote and stand for election, but no woman had yet been appointed to the Canadian Senate. A number of women's organizations began petitioning the Prime Minister's office to recommend such an appointment.

Their requests were courteously acknowledged and references were made to section 24 of the British North America Act, which allowed the Governor General, in the monarch's name, to summon qualified persons to the Senate. However, under British law based on an 1876 decision, the status of women was defined thus: "Women are persons in matters of pains and penalties,

but are not persons in matters of rights and privileges."

An Alberta Supreme Court decision in 1921 had ruled that there was no reason for disqualification from public office based on sex, but a federal court decision was required. The "Famous Five," as they became known, availed themselves of an obscure section of the British North America Act which permits appeals by groups of at least five citizens to the Supreme Court of Canada for interpretation of constitutional matters. The case was heard in March 1928 and the court unanimously concluded that the word "person" in the BNA act did not include female persons.

The bitterly disappointed group of five were determined to pursue the issue and took it to the judicial committee of the Privy Council in England, at that time the final court of appeal for Canadians. After much deliberation, Lord Sankey, the presiding judge, delivered the decision on October 18, 1929.

Their lordships had concluded that the word "persons" included both males and females, and that women were, indeed, therefore, eligible to be summoned to sit in the Senate of Canada.

This event was truly a milestone, and we all owe much to those women of valour who fought and won, for all Canadian women, equality before the law. Today, the struggle focuses on equalizing opportunities in the work place.

The women's bureau and the women crown employees' office in my ministry are working to help eliminate traditional stereotyping of women in the labour force and to encourage equal opportunities for women in employment. Through these offices, and with the passage of legislation such as the Family Law Reform Act, 1978, the government of Ontario has shown its continued support for the legitimate concerns of women in society.

Mr. Breithaupt: Mr. Speaker, on behalf of the opposition, I as well would like to pay tribute to those women whose dedication to the principles of human equality have brought about so many advances in the past 50 years, yet, of course, we still have a long way to go.

While the improvements in such areas as law reform may be evident, I call upon the provincial government to act now to implement an employment strategy for the women of Ontario that will take into account the greatly expanded role of women in the labour force and the concomitant need for child-care facilities.

But, equally important to an employment strategy for women is a revision of the pension system, that by its very nature effectively discriminates against females because they earn less and it ensures that a substantial proportion of females will spend their retirement years in poverty.

On this occasion let us recognize and pay tribute to the women of Ontario who choose to work at home and in volunteer organizations as well and in doing so contribute so much to the richness of this province. The best way we can all pay tribute to them is by reforming a system that will allow elderly women eventually to spend their retirement years in dignity.

As far as this caucus is concerned, the best spirit of all those women in this province is personified by the member for St. George (Mrs. Campbell). Indeed, therefore, we pay tribute to all of those women, not only by paying tribute to our own Margaret Campbell, but to the others in this Legislature in both other parties, all of whose dedication to human rights and to women's opportunities within Ontario have made them champions of the women of this province.

Mr. Bounsall: I would like to point out that the Famous Five of 50 years ago have become the famous six today in the Ontario Legislature, and we wish to pay tribute, all the rest of the legislators, to the contribution that those six have made throughout the course of this parliamentary session. We trust that there may be many more of them—more than six—in the sessions to come.

This is indeed a very historic day, the anniversary of persons' day in Canada. It was interesting that they had to go to the Privy Council of Great Britain in order to have the matter clarified in Canada. I would hope that the government of this province would, however, do something really concrete to commemorate this important occasion by recognizing the status of domestics in this province, in giving them their proper status and recognition and coverage under both the Labour Relations Act and the Employment Standards Act, and that they will in the very near future support third reading of Bill 3, my private member's bill on equal pay for work of equal value.

[2:15]

ORAL QUESTIONS

GAS AND OIL PRICES

Mr. Breithaupt: Mr. Speaker, I have a rather lengthy question of the Premier of which I have given notice.

Recognizing the legitimate concern of the Premier, which we all share, for the inflationary impact on the economy of Ontario if the federal government proceeds with this reported oil-pricing policy and attempting to set aside partisan political points of view on the oil-pricing issue, would the Premier be willing to have a special emergency debate in the Legislature for the purpose of passing a resolution containing the following elements?

The Legislature, noting reports that the government of Canada intends to increase the federal excise tax on gasoline by 23 cents a gallon and the price of domestic crude oil by $4 a barrel in 1980 and the price of natural gas by a corresponding amount on an energy equivalent basis:

1. Expresses its deep concern that such increases will greatly harm the consumers of Ontario and Canada and will have a serious inflationary and recessionary effect on the Ontario economy;

2. Opposes any increase at this time on the prices of crude oil and natural gas which results in windfall revenues and profits for the petroleum industry and producing provinces;

3. Endorses the policy of one base price for crude oil across Canada and the subsidization of foreign imports of crude oil which that policy entails;

4. Supports the use of public funds for a greatly expanded program of energy conservation and the development of renewable energy supplies and systems;

5. Urges the government of Canada to make only such price and tax changes as are required to meet these objectives; and,

6. Urges the government of Canada, in this period of critical inflation, to have more regard for its obligations under the Petroleum Administration Act for the interests of consumers and the consuming provinces of Canada.

Mr. Speaker: Order. I want to draw to the attention of the member for Kitchener that a detailed question like that, requiring quite a lengthy and detailed answer, is normally put on the Order Paper as an inquiry of the ministry. But, given the nature of the question and if the Premier has a brief response to it, I'd be happy to hear it.

Hon. Mr. Davis: No, Mr. Speaker, I don't see any reason to add time to the question period. Actually, as I read it there are six questions inherent in that question. On the assumption that say five minutes per question would be fair, that means that half an hour of the question period would be legitimately used to answer. I'm sure the members opposite would agree to that. However, I will avoid doing that.

I think really that question (a) is based on news reports, not on fact.

Mr. Peterson: You certainly felt free to comment on a so-called unofficial report.

Hon. Mr. Davis: Certainly I commented on it. I have no reluctance to do so. I assume the honourable member had really expressed a lot of this the other evening. Actually the majority of the "statements" contained in the question were really discussed here this week. Really, they form the basis of what this government has been saying for five years. In substance I sense a fair degree of unanimity within this House.

I could go over them point by point, but if the members will read the papers we debated, item number one was expressed in that and has been expressed by myself publicly. The number two item has been dealt with. Third, the endorsation of one base price for crude oil across Canada has been accepted not only, I hope, here but has been accepted by the government of Canada. I certainly haven't sensed even in any news reports that there is any consideration of changing that.

Item 4, support the use of public funds for energy conservation for renewable energy supplies and systems. As I recall the discussions of Tuesday, no one differed from that point of view. Perhaps in degree or in how it's to be done.

Item 5 urges the government of Canada —really, if you read the paper carefully it is contained in that. And item 6 is inherent in whatever decision the government of Canada makes, because obviously it will be done under the Petroleum Administration Act in terms of whatever price levels they might ultimately establish.

So, Mr. Speaker, I find it difficult to answer this question in detail in such a short period as we have available to us, except to point out that all of these matters were discussed at length on Tuesday.

Mr. Breithaupt: Supplementary: While I recognize that the matters were discussed at length, there was not the opportunity to come to any resolution as such. Would the Premier not realize it might be of help to him in his dealings in the next first ministers' conference to have a resolution of this House supporting the position we would all perhaps be able to share on the basis of doing what we think is best for the eight and a half million people for whom we share responsibility?

Hon. Mr. Davis: I don't minimize a resolution. I doubt that we would get unanimity on the wording of any such resolution.

I think it is quite obvious that the points of view expressed here by members opposite is known to the government of Canada. I am sure they have communicated them to those with whom they have some relationship in the nation's capital. I am sure these points of view have been made available to them.

In terms of an emergency debate, I just don't see where anything new would be added to what was said on Tuesday. I quite honestly feel that. I am not reluctant to have a debate and restate all of these things but I don't think there would be anything new.

If the House leader of the Liberal Party would like to communicate to me by letter setting out these points and saying, "This is the view of this caucus," and if the leader of the New Democratic Party would do so also, though he might want to go further or alter this, which is why I don't think we would get a unanimous resolution, I would be delighted to have that material, and I would have no reluctance in using it either.

Mr. Cassidy: Supplementary: I would not like the Premier to be put in the position of having to take a lengthy list which comes from that party, whether or not it includes the excise tax it advocated a month ago. But would the Premier not agree to having this House adopt in as non-partisan a way as possible a very simple resolution in which we unanimously express our opposition to the proposed increase in oil prices and the proposed imposition of an excise tax on gasoline because of the terribly destructive impact it will have on industry, on jobs and on consumers in this province?

Hon. Mr. Davis: In spite of the rhetoric that is used sometimes, both in the House and perhaps by the Leader of the Opposition (Mr. S. Smith) more extensively outside the House, I doubt whether there is any question in the mind of the government of Canada as to the point of view of the government of this province with respect to the whole question of oil pricing.

I think to draft a resolution that would reflect the feelings and the responsible attitudes, where our points of view differ on some of the subtleties of whatever might be suggested, would be a very difficult task indeed. If the leader of the New Democratic Party wishes to communicate with me once again for purposes of the first ministers' meeting, at which time perhaps we will have a clear indication of what the government of Canada has in mind, he can do so.

I never ignore press reports—I don't want to be misunderstood—but I am a little reluctant to jump into a situation, resolution or whatever until we are dealing with a more factual type of situation, rather than dealing with something that might or might not happen. If the leader of the New Democratic Party wishes to communicate with me in the terms he has suggested, certainly I would have no objection to that. If he wishes to sign the letter "Mike" or "Michael," I won't draw any distinction either as to how it is signed.

Mr. Conway: I have a supplementary to the Premier's suggestion that the Leader of the Opposition and the leader of the third party communicate their views to him for transport to a first ministers' conference. Since when has the private and individual correspondence of the leaders in question to the first minister stood as an acceptable surrogate to this Premier as a statement for the views and the resolution of this Legislature with respect to the issues at hand? Does the Premier not think it would be infinitely more appropriate and conventional to have this assembly rise in some kind of resolution so that he might be armed with a public and much more legitimate expression of the views of this Legislature for the purposes at stake and at issue?

Hon. Mr. Davis: I would have thought that the views expressed on Tuesday by the members opposite were in the public domain. I have not read all of them, but a certain number of them. I would suggest to the member opposite that if he doesn't think it is wise for the leader of his party to communicate with me the feelings of his caucus, that is also acceptable.

I would also point out to him that if one were to communicate the views of his leader with respect to some of the things contained in this particular suggestion, one would find there were modest contradictions. In fact, one would not only find modest contradictions, one would find significant variations. I think in fairness, the member would find the members of the New Democratic Party might not be as willing to agree to a resolution that is as acceptable to him as it might be to them.

It may come as a bit of a surprise to the member for Renfrew North that the government, for its part, might not agree with some of the things he thinks might be subtly implied in any such resolution. Where it's difficult for me, I would say to the honourable member, is to totally understand some of the things that were said last Tuesday, to put them in the context of the traditional ap-

proach of the party opposite with respect to this whole issue and to understand just what credibility is involved.

Mr. Warner: Why didn't you stay and listen?

Hon. Mr. Davis: I say that very kindly, and I'm taking particular note—

Mr. Roy: You don't expect us to swallow that stuff.

Hon. Mr. Davis: I think if the member for Ottawa East, the expert in the field, canvassed very carefully what the member for Ottawa Centre said during the discussion—and I intend to reread them—I think he gave a relatively objective point of view.

All I'm saying is I think the public knows the point of view of the government and of the members opposite and I'm delighted to receive any additional advice or guidance. I just say to react to something that is not factually in front of us—the question of the excise tax, if there is one, how much, the amount per barrel—Heavens above, his leader had me around the province on several occasions at $5 a barrel.

Mr. Breithaupt: We had you around a barrel.

Hon. Mr. Davis: He's already 20 per cent out, if in fact the $4 appears to be the case. That's not bad. That's closer than on some situations.

Mr. Ruston: Roll out the barrel.

Hon. Mr. Davis: As I say, I'm prepared to receive any constructive suggestions. I really don't see any purpose in a debate. I honestly don't know what we would say that wasn't said on Tuesday or even if we would get any unanimity on the specific wording of a resolution.

I assure the members opposite I understand what they're saying on this issue, even if the members of the Liberal Party are saying something different today from what they said some time ago.

Mr. Breithaupt: I regret that the partisanship we hoped to avoid could not be avoided by the Premier.

HYDRO RATES

Mr. Breithaupt: I have a question of the Premier about something he can do something about and that is with respect to the matter of Hydro rates.

Since the board of directors of Ontario Hydro announced yesterday the 1980 wholesale rates will be up as much as 16.4 per cent in the case of municipal utilities, can the Premier advise us if, either through the Minister of Energy (Mr. Welch) or directly through the Ontario Energy Board, he has had any review of the rates and whether any concern has been expressed about these increases? Since nothing has apparently been said publicly by the Minister of Energy, are we to take it the silence of the Minister of Energy implies the consent of the Premier's government to these increases?

Hon. Mr. Davis: Mr. Speaker, I'm not sure if the honourable member is on the select committee dealing with Hydro affairs and the matters currently under discussion; I assume he's not. I think the committee has dealt with the procedure. I think they had some indication of what the rate picture was like. I may be wrong in this but this was my impression from what I've read.

Mr. Foulds: As usual, you're wrong on this one.

Hon. Mr. Davis: No, I'm not wrong in this at all. I think there were some very close guestimates. Don't let the member tell me he didn't have some rough idea. Certainly, the member to his left I'm sure had not only a rough idea but a fairly definitive idea.

The process is that the Ontario Energy Board makes the review. My understanding is the Ontario Hydro board on Tuesday made their decision, which I gather was one per cent less than what Hydro was requesting. The member is nodding his head. Is that approximately correct? The energy board in their review suggested a rate that was one per cent less than what Ontario Hydro had requested in order to meet its demands.

[2:30]

I gather that because of the anti-inflation program certain increases were postponed due to their impact on the municipal utilities. It is an eight per cent increase awarded by the energy board, but when it is dealt with in the context of the Anti-Inflation Board program it will be higher than that for some municipal utilities. In terms of the individual consumer, however, it will once again depend on the financial position of those individual municipal utilities. In terms of the direct customers, the average is in the neighbourhood of 15 per cent.

I want to assure the honourable member there is no silence on the part of the Minister of Energy but this is a decision made by the Ontario Energy Board communicated to Hydro on Tuesday or Wednesday. I'm not sure of the exact time.

GAS AND OIL PRICES

Mr. Cassidy: I have another question of the Premier on energy. Since it appears from

the Treasurer's figures that the prospective increases in the price of oil and gasoline now being proposed by the federal government will cost Ontario between 30,000 and 40,000 jobs and in a year when the conference board says we'll only have 10,000 new jobs created in Ontario, what guarantees do we have that Ontario workers and consumers will be protected from the short-sighted actions of a federal Conservative government the Premier helped to elect?

Hon. Mr. Davis: Mr. Speaker, I'm delighted the honourable member gives me that credit.

Mr. McClellan: We give credit where credit is due.

Mr. Laughren: They're not claiming it too much now.

Hon. Mr. Davis: I'm very grateful on behalf of the majority of Ontarians and Canadians that the member's active participation with his national leader didn't lead to success. I just express that personal point of view.

Mr. McClellan: Your government wouldn't be in the mess it's in now.

Hon. Mr. Davis: I'm sure the honourable member understands there is no guarantee in terms of what the decision of the government at Ottawa may be. I am not aware of it. I don't know when it is going to be determined. Every time the question of an oil-price increase is suggested, I think we have projected the potential negative effects on the economy of this province in terms of job creation.

The Treasurer (Mr. F. S. Miller) is not here to accept this credit, nor is the Minister of Industry and Tourism (Mr. Grossman). But while the potential for this is here, and we've always stated it, we have had price increases over the past four years. In spite of that we have been successful—when I say "we" I mean the people of this province—in creating jobs, certainly over the last two years, at an unprecedented rate. We have been able to do that in spite of some of the difficulties that have been involved.

There is no point in fooling anyone. There is no way this government can guarantee job creation as affected by an increase in the cost of oil or natural gas. I wish it were as simple as saying, "Yes, we can do it." We can make every effort, as we have, to our incentive programs to bring about job creation, most of which the members opposite object to, but which, I think, have been singularly successful and the figures substantiated.

Mr. Cassidy: A supplementary, Mr. Speaker: In view of the fact the economic impact on the other oil-consuming provinces is going to be just as severe as it's likely to be for Ontario, will the Premier call together his counterparts in the other consuming provinces so they can go to Ottawa together to the energy conference in December with a common position representing oil consumers and people whose jobs will be affected?

Hon. Mr. Davis: I can only assume the leader of the New Democratic Party was holidaying or that he wasn't reading the papers in August. Our paper, although it was not officially presented to the conference, became one of the foremost topics of discussion outside the formal conference agenda itself. I said this in my brief remarks on Tuesday.

The thing I have found somewhat frustrating—that may not be a fair way of expressing it—the thing I found hard to understand is that the Premiers of the other provinces are, by and large—one can point out exceptions but I haven't found any—in support of the principle of a world price. I said on Tuesday I felt a little bit isolated in terms of this government's representation to Canada with respect to the whole question of oil pricing.

Interjection.

Hon. Mr. Davis: Just a minute. The member's leader is suggesting I bring them together. We were together in August. This question is not a complex issue. They understand it.

Ms. Gigantes: Twenty-four cents a gallon.

Hon. Mr. Davis: The majority of other Premiers, if not all, in principle are in support of world price. There's no point in my saying to the other Premiers of Canada, "Let's get together in Toronto, or wherever prior to December 5 and 6, or whatever date and let's have sort of a unified approach to the government of Canada."

First, Alberta would not be a part of it. The member's colleagues in Saskatchewan would not be a part—they want world price. Don't kid yourselves. They want world price. Alberta isn't the only producing province. British Columbia's on record as wanting world price—no argument about that. Quebec is on record as wanting world price. Even Newfoundland is on record as wanting world price. I think in Prince Edward Island and New Brunswick there is perhaps some question, and in Nova Scotia.

I'm delighted to entertain my colleagues at any time. But I've got to tell the member this issue really was with them in substance in August and the rather universal feeling

was that they didn't agree with Ontario's point of view.

Mr. Peterson: A supplementary to the Premier: historically, particularly at election time, the Premier has availed himself of the device known as the price freeze for provincial pricing of petroleum products. What are the government's plans to freeze the price and for what period of time, if and when this price increase comes in?

Hon. Mr. Davis: I always understood that the member for London Centre was against price freezes, being a free-enterpriser both environmentally and as far as his family relationship is concerned and his own involvement, and that he would be totally opposed to this sort of interference in the marketplace. What has happened, in terms of the approach that has been taken in the past two or three years, partially at the insistence of the province of Ontario, is that there is that 60-day period from the date a price increase goes into effect for crude before it is reflected in terms of the consumers, so no one can argue that there are X million barrels of crude or even distillates sitting in the tank where the producers would get that additional "windfall" profit because of built-up inventories.

The 60-day period has been the pattern. My expectation is that that will be continued.

Mr. Peterson: It'll go to 90 days at election time.

Mr. Cassidy: Supplementary: Since the Premier doesn't want a resolution from the House to back Ontario's position in the oil talks in December; since the Premier doesn't want to call together, one more time, the consuming provinces to try to get a common front; since in fact he seems to have decided that the question is lost in advance and has almost resigned himself to whatever Joe Clark is going to do to this province, can the Premier at least tell the House what guarantees there are about the proportion of money taken from Ontario consumers and industry by theses increases that will be returned to this province in order to help cushion the shock to our economy that these oil price increases will create?

Hon. Mr. Davis: I have to make it quite clear. I do not know what potential price increases may take place. I don't know what possible excise tax situation may develop. I don't know.

I would make it quite clear that our point of view has been well stated to the government of Canada. They know it. I take a little bit of exception to the suggestion that I will not call the other Premiers together. I say there would be no useful purpose. Their point of view was expressed. I know it takes a little while for these things to register with the leader of the NDP, but they have made known their points of view. They have made them known fairly recently to the government of Canada.

You're not going to get the Premier of Saskatchewan to change his point of view. You're not going to get the Premier of Alberta to change his point of view. You're not going to get the Premier of Quebec to change his point of view.

Mr. Foulds: Use the word "I" instead of "you", will you?

Hon. Mr. Davis: You, we, I—I'm not. I make this very clear, I am not.

Interjections.

Mr. Speaker: Just ignore the interjections.

Hon. Mr. Davis: I won't try to translate my inadequacies to the member for Port Arthur. His own inadequacies, I know, are not apparent to the rest of us; maybe to his constituents, but certainly not to me, I'll say that.

With great respect—I'd better rephrase that—with a certain amount of respect, I say to the leader of the New Democratic Party that while I appreciate any constructive suggestion that really would make sense, that would be practical, that would add something to this discussion—those two suggestions really, I think, are less than really worthwhile. I'll phrase it as delicately as that.

Mr. Martel: What's he intend to do?

Mr. Makarchuk: Just roll over and play dead.

DEHAVILLAND AIRCRAFT COMPANY

Mr. Cassidy: I have a new question, also for the Premier.

Given that we have here in this province a publicly owned company, deHavilland Aircraft Company of Canada Limited, which is a world leader in civil aviation, employing 4,800 people, and which is now on Sinclair Stevens' chopping block for privatization, does the Ontario government support or oppose the federal government's plans to sell off deHavilland to the private sector?

Hon. Mr. Davis: If the government of Canada finds a purchaser who can add further incentive and encouragement to deHavilland Aircraft that will ensure not only its present position but improve it, then of course, I approve and I would be surprised if the members opposite didn't agree with that.

Mr. Makarchuk: Are you prepared to gamble?

Hon. Mr. Davis: I would suggest to the leader of the New Democratic Party that before he becomes too enamoured with retaining public involvement in a number of corporations which at this moment might benefit from the infusion of private capital and so on, he should be very cautious.

Interjections.

Hon. Mr. Davis: If the right arrangement can be made, this province doesn't intend to stand in the way. I happen to know that corporation relatively well. I have a number of constituents—far more than the leader of the New Democratic Party—who are employed with deHavilland Aircraft.

Mr. Warner: Yes, and you want them to lose their jobs.

Hon. Mr. Davis: I am anxious to see that great company move even further—

Mr. Speaker: Order. The members of the New Democratic Party have their leader ask a question and then you refuse to allow somebody to answer. I see no rationale for that at all.

Hon. Mr. Davis: Thank you very much for your assistance, Mr. Speaker, although I must confess I enjoy the interjections. It gives me a little longer to answer the questions. What was the question?

An hon. member: It just dresses up your non-answer, doesn't it?

Mr. Speaker: That is the problem, you answer the interjections.

Hon. Mr. Davis: If in fact a move can be made to improve the long-term prospects of deHavilland, I would be in support of it, yes.

An hon. member: Tell them about the Avro Arrow.

Mr. Cassidy: Supplementary: Since the last time we had a Conservative government up in Ottawa we had the fiasco of the Avro Arrow, which also affected the constituents of the Premier and left the aerospace industry in disarray to this very day, will the Ontario government make it very clear to the federal government, as the United Automobile Workers will do tomorrow when they meet with Mr. Stevens, that the government of this province opposes the sale of deHavilland to the private sector because of the importance of controlling an industry as strategic as aerospace?

Hon. Mr. Davis: I have never really looked upon the decision of the former government with respect to A. V. Roe as being totally in my political interests. I remember that full well.

Without going into the history, I think what is important is to see that there be given to deHavilland the opportunity to expand its opportunities, to have if possible the infusion of additional capital—

Mr. Cassidy: They are going down the drain.

Hon. Mr. Davis: They are not going down the drain. They are not going down the drain today, and whatever determination is made, this government will see that deHavilland does not go down the drain in the future, but you people are so wedded to the concept that only government can do things, you are so short-sighted you have no understanding of the potential problems inherent in that sort of approach. This is your whole rationale. This is your whole reason for being, and I have to tell you, in jurisdiction after jurisdiction where this has been the philosophy they are today experiencing great economic difficulties.

Mr. Makarchuk: Is this an answer?

Hon. Mr. Davis: It is that sort of philosophy that creates problems.

Mr. Warner: Try that speech in Saskatchewan.

Mr. Cunningham: Supplementary: I was attracted by the Premier's comments with regard to private enterprise. In that vein, I am wondering if the Premier might contemplate disposing of that great turkey, the Urban Transportation Development Corporation, and save the Ontario taxpayers a lot of money?

Hon. Mr. Davis: Mr. Speaker, it takes one to know one, is all I can say to you. I say that kindly. I understood that is not what the member was saying when he was down in Kingston, that he was really very polite. That surprised me. I understand he was very complimentary. He said to those people what a great thing it was. It is the same old story: when he is with them it is one thing, when he is here it's another thing.

[2:45]

I say to the honourable member that he can suggest that we dispose of "the turkey," but in terms of existing technology, the potential of urban transit and the potential of an intermediate capacity carrier, there isn't a technology that has been developed to this point anywhere else in North America or anywhere else in the world.

Mr. Warner: What about deHavilland Aircraft?

Hon. Mr. Davis: I would say to the honourable member the potential for this is significant.

Mr. Makarchuk: We're talking about deHavilland. What's the potential for deHavilland?

Hon. Mr. Davis: I should caution him that his own community, Hamilton, in which he always takes a great interest, as does his leader, is very interested in this particular technology and in the potential of having this used within the city of Hamilton.

Interjections.

Hon. Mr. Davis: The member should go and talk to them and tell them that he doesn't want it.

Mr. Cunningham: Only if the government pays for it; that's their attitude. How many contracts has the Premier had? I agree, we don't want it.

Mr. Roy: Tell us about Krauss-Maffei.

Mr. di Santo: Supplementary: Despite the rhetoric of the Premier and the fact that he has little knowledge of the situation at deHavilland, would the Premier agree that the company now is profitable because there has been an infusion of public funds? Would he agree to sell the company to private interests, even if that means to sell it to a foreign interest or to another province, which would mean moving a major manufacturing company from Ontario to, let's say, Alberta which is one of the prospective buyers?

Hon. Mr. Davis: I can assure the honourable member that we will make sure that deHavilland Aircraft is not moved out of the province of Ontario.

Mr. di Santo: How?

Hon. Mr. Davis: I am just telling him very simply that we will see that deHavilland Aircraft does not move. I have known that firm a lot longer than the honourable member. I know one of the reasons why it has done relatively well in the past two or three years. I am not unaware of this.

I should also caution the member that the infusion of or perhaps some relationship in terms of the aerospace industry might be in the interest of deHavilland Aircraft as well. I am interested in seeing the company move ahead. I am interested in seeing it sell the Dash 7. I might even be prompted into supporting STOL aircraft from the Island Airport to Montreal as an experiment. But members of the NDP would oppose that and inhibit the market potential of deHavilland Aircraft.

Mr. di Santo: Also members from the government party. The member for Beaches—

Hon. Mr. Davis: The member for Beaches-Woodbine would be up in her place saying, "Don't have a Dash 7 come into the Island Airport."

Interjections.

Hon. Mr. Davis: The members over there want one thing in one hand and want to take it away in the other.

Mr. di Santo: The Tory member for Beaches.

NIAGARA CHILDREN'S SERVICES DISPUTE

Mr. Bradley: I have a question for the Minister of Community and Social Services. In view of the fact that there is a strike imminent by the family and children's services employees of the children's aid society in the Niagara region and that management appears to be blaming the minister and his restrictions which they say do not take into consideration that there are rollover costs from the previous year, plus union contract commitments that the agency is bound by law to fulfil, does the minister believe that the employees who render these children's services in Niagara should accept what amounts to a five per cent pay cut in their negotiated settlement from last time in order to avoid a strike?

Hon. Mr. Norton: There has been a meeting very recently between some of the senior representatives of my ministry and the society in Niagara at which I believe the very question of rollover costs was addressed. It was my understanding that the society understood that we would assist them with coping with those rollover costs in so far as any decisions that were made prior to the issuance of the budgetary guidelines of my ministry had created that situation.

I am not aware that they are now using that further. I will certainly check into it with my staff to see if there is some continuing misunderstanding. I thought that assistance in adjusting to the situation had relieved some of the pressure for them. I must say that does not mean we are in a position to increase the funding to agencies beyond the guidelines that were issued, but where difficulties have developed we will assist them to make further adjustments.

Mr. Bradley: Supplementary question, Mr. Speaker: In order to avoid further difficulty because the progress in the negotiations has not been what the minister perhaps expected it should have been after this meeting, would he be prepared to recommend binding arbitration to solve this dispute since binding arbitration has been requested by the repre-

sentatives of the employees in this case and might result in a kind of settlement that would avoid a strike in the region? It would allow the employees to continue working and would allow services to be continued to the families who require it within the Niagara region.

Hon. Mr. Norton: Mr. Speaker, I think at this time it would be inappropriate for me to infuse myself or my ministry into the middle of ongoing negotiations between the parties to such a dispute. I will certainly discharge the responsibility of my ministry as it applies to ensuring the children are not at risk as a result of this dispute.

Mr. McClellan: Supplementary: In the minister's answer, he said the children's aid societies will have to stick to the ministry's guidelines. Can the minister explain why the Niagara Falls society was given a budget increase of less than five per cent, which included both the so-called five per cent increase on the base plus new initiative money? Doesn't he understand he is simply inviting strikes in a number of children's aid societies across the province with these kinds of idiotic constraints?

Hon. Mr. Norton: Mr. Speaker, if I understand the question correctly, I think part of the problem the honourable member who—

Mr. McClellan: You gave them something like 3.8 per cent.

Hon. Mr. Norton: —previously addressed the question raised relates to that. Part of it is because of perhaps a problem of what is referred to as rollover costs. We do hope to be able to assist some societies who are faced with those problems to resolve them.

HYDRO RATES

Ms. Gigantes: A question for the Premier, Mr. Speaker: Will the Premier stop pretending the Ontario Energy Board sets hydro rates? It is his government that has the only real authority on this matter. Now his government is endorsing a retail price increase of 16 per cent for 1980, will he take steps to ensure the ordinary consumers of Ontario are protected to at least some degree and direct, by government policy, that Hydro stop subsidies to large industrial users?

Hon. Mr. Davis: Mr. Speaker, with modest respect—

Ms. Gigantes: Tiny respect?

Hon. Mr. Davis: —I just have to make it quite clear, as I thought I did to one of the members opposite—to you?

Mr. Breithaupt: She's on the committee.

Hon. Mr. Davis: That's right. The honourable member is on the committee as the member for Kitchener points out. You know full well the Ontario Energy Board, in fact, does set the rates.

Ms. Gigantes: No.

Mr. MacDonald: No.

Hon. Mr. Davis: Oh, come on. They make the judgement. They have the hearings. They are the ones who have the hearings and they make the determination. The government doesn't make the determination. We don't have the hearings in front of us. We have never had hearings in front of us as a government, never. The recommendation comes from the Ontario Energy Board.

Interjections.

Hon. Mr. Davis: That's right.

Ms. Gigantes: Mr. Speaker, in spite of the fact the Premier doesn't seem to understand the difference between approval and authority in this matter, I would like to ask him again: Will he direct, as a matter of government policy, that Hydro no longer subsidize large industrial users to the disbenefit of the small residential consumer by the cross subsidy on rates?

Hon. Mr. Davis: Before the members so vigorously applaud—is the honourable member saying she shouldn't have asked the question again? I wouldn't have quarrelled if she hadn't asked it again.

I don't want to become technical but by law, and the member for York South can correct me if I am wrong, my understanding of the statute is the Ontario Hydro board sets the rate. Is that not relatively accurate? Yes. The Ontario Energy Board makes its assessment and Ontario Hydro sets the rates. The government doesn't. The government doesn't set the rates. We don't make that judgement at all. The honourable member is really saying, "Charge the industrial consumer more so those of us who are residential consumers might pay something less."

Ms. Gigantes: So we don't have to pay more than they pay now.

Hon. Mr. Davis: No, no. The member is suggesting that Hydro increase the rates to the industrial consumer; is that right?

Ms. Gigantes: To make it equal.

Hon. Mr. Davis: And out of that additional revenue we would pay something less as residential consumers—

Mr. M. Davidson: Equalize the rates. That's what we are saying. Equalize the rates.

Hon. Mr. Davis: —that is what the member is suggesting. We have debated this I

guess ever since somebody I know was second vice-chairman of Ontario Hydro, but the problem Ontario has with the industrial rate structure is having a rate that is relatively competitive with others.

The fact is that our hydro rates are competitive with our American neighbours; but I think it is fair to state that Hydro-Quebec has a somewhat lower rate for its industrial customers. The member for York South can confirm or deny that observation.

Mr. MacDonald: I have no comment.

Hon. Mr. Davis: He has no comment because he knows it's true.

One thing members opposite have to remember is that we have a need to create jobs. Our industries have to be competitive. Those people would tax them, penalize them, do everything—

Interjections.

Hon. Mr. Davis: —and then come in here and say, "What are you doing about job creation?" They can't have it both ways.

Mr. J. Reed: If the Premier is indicating that his government does not have enough control over Ontario Hydro to have something to say about the rates people have to pay, will he finally exercise his responsibility and stop avoiding the issue? He has avoided it ever since the inception of the Power Corporation Act.

Hon. Mr. Davis: I was here a little before the inception and—I was going to say something that would be misunderstood.

I would only say to the honourable member, who has become so knowledgeable in the energy field in the past two years, he knows and I know that hydro costs have to be paid. Certainly this Legislature, the ultimate authority, would have to say to Ontario Hydro the rates will be something less. Members also know if that were the case Ontario Hydro would have to borrow the money to make up the deficit, or we would, as a government, have to say to the taxpayers—

Mr. J. Reed: To build the service.

Hon. Mr. Davis: —through taxation that they would have to do it. The members know that and I know that. Hydro is a public utility. We are all shareholders in that utility. They are charging the cost—

Mr. Warner: Bring it under public control.

Hon. Mr. Davis: —and one can't try to fudge the issue any other way.

DOMTAR LIMITED

Mr. Riddell: I had intended to ask the Minister of Industry and Tourism (Mr. Grossman) this question, but as he is home I will direct it to the Premier.

I would like to ask if he is aware of the possible threat to one of the major industries in the Goderich area, namely, Domtar Limited, if a decision is reached by federal officials to make Department of Regional Economic Expansion funding available for a project that will, in turn, enable Soquem, a crown corporation of the Quebec government, to close the door on the markets that Domtar is currently supplying?

Hon. Mr. Davis: The Minister of Industry and Tourism happens to be in Newfoundland.

I might say to the honourable member who asked the question that I have found it beneficial on occasion to do a little baby-sitting myself. He might find it beneficial in many respects to do the same thing. Just a little personal friendly advice.

With respect to the question read to me—if the member would get it typed in case it is in his own handwriting or if it was typed by somebody in his office—if he would send it to me I would be delighted to try to get the answer to the question immediately.

Mr. Riddell: I will certainly see that he gets a copy of the question. But I want to know now if he will give a commitment that he will make representation or have the minister make representation to their federal counterparts responsible for allocating DREE funds, in order that an Ontario industry that is capable of contributing some $8.5 million annually to our economy will not be placed in jeopardy. Will he make that commitment?

Hon. Mr. Davis: I will make a commitment to do everything I can to solve a problem in the member's riding which might also be of provincial interest. I would only ask that he get it typed, as I see it is in his own handwriting and I might not be able to read it. Please send it over.

[3:00]

PUBLIC HOUSING

Mr. R. F. Johnston: Why is the minister holding the 875 residents of 13 Metro Toronto housing co-ops as hostages—

Mr. Rotenberg: What do you mean?

Mr. R. F. Johnston: —while he is having problems reaching rent subsidization agreements with Metro Toronto? Is he not aware that these co-ops will face imminent bankruptcy if the province does not provide its share of the subsidies after December 31? Why has he added condition 17(a) to the new contracts from those co-ops?

Hon. Mr. Bennett: Mr. Speaker, I have spent some months and some weeks with the chairman of Metropolitan Toronto. Indeed I have a meeting next Monday with both the chairman and the mayor of this municipality to review some of the problems in the overall housing program in the Metropolitan Toronto area. It has to relate to nonprofit housing, to Ontario Housing Corporation's own portfolio, to the Metropolitan Toronto housing corporation's portfolio, to the Toronto housing portfolio, and indeed to the co-ops in this whole region. Whatever decisions we arrive at in this community will be applicable to the rest of the co-ops and nonprofit housing in Ontario.

On the other hand, at this moment there are certain limitations placed upon my ministry because, in the new agreements that are coming forward for co-ops and private nonprofits, they are still under the direction of the federal government and not my ministry. Those are two areas of the housing portfolio that were retained by the former minister responsible for Central Mortgage and Housing Corporation.

I would hope that within a reasonable period of time we will find some degree of compromise by the province and, indeed, by the Metro people in relation to the housing portfolio.

Mr. R. F. Johnston: By way of supplementary, I still don't understand why the minister is holding them as hostages and why he has added this condition to the contract.

Mr. Rotenberg: Who's holding hostages?

Mr. R. F. Johnston: I want to know if, on Monday, when the minister meets with that group—because the co-op people are going to be there—he will unconditionally commit himself to providing full-rent subsidy to prevent at least the 200 low-income residents of those co-ops from having to face rent increases of as much as $190 if he doesn't come through with it.

I don't really care how many times he meets with Paul Godfrey about it. Those people should not be sacrificed in the middle.

Mr. Warner: The minister without housing.

Hon. Mr. Bennett: It's very easy to give away the store if you have no real reason to control it.

Mr. McClellan: What about the people in them?

Hon. Mr. Bennett: We're not holding anyone hostage. Listen to all the puppy dogs yapping over there. Why don't you be quiet for a moment?

Mr. Roy: Do up your jacket, Claude.

Hon. Mr. Bennett: No, it looks better open, Albert. It's only lawyers who can afford the best when they have Wednesday to go home and make their extra fees.

Mr. McClellan: Get serious and deal with it.

Mr. Conway: You're supposed to be a power broker in Ottawa.

Hon. Mr. Bennett: Very frankly I am not making any commitment to the member who asked the question. I am in negotiations with those local politicians, the chairman and the mayor. I have no intention of disclosing the position which I shall take next Monday in negotiating with them.

INCOME PROPERTY QUESTIONNAIRE

Mr. Kennedy: Mr. Speaker, I have a question to the Minister of Revenue with respect to the Assessment Act. Will the minister take a look at a document entitled Property Income Questionnaire—it is a most garbled piece of paper—and, if in fact he feels it's needed at all, would he revise and simplify it because it applies to commercial properties only? It is quite a great bother and concern to commercial property owners and to both small and big business.

Mr. Conway: Down with garble.

Hon. Mr. Maeck: The member is referring to a form that people who own property and rent part of it are asked to fill out for assessment purposes. I have had several complaints from various members and individuals about this particular form. I have already instructed my staff to provide us with a much more simplified form which would still give us the necessary information to do a proper assessment on commercial properties.

CHEMICALS IN SCHOOL YARDS

Mr. Cunningham: Mr. Speaker, I have a question to the Minister of Environment. Now that the minister has responded to a request I made to his ministry on May 25, asking them to conduct soil samples at the Dominion Tack and Nail Company in Cambridge—whose property is located immediately adjacent to a Cambridge public school yard—would he outline the charges he intends to bring against this company, which knowingly dumped waste into a six-foot-deep trench on company property and whose soil-sample analysis shows heavy metal levels which are in some cases 38 times in excess of provincial standards?

Hon. Mr. Parrott: I will be very pleased to ask our legal services to give that review,

and bring it back to the member, either in the House or privately.

Mr. Cunningham: As a supplementary, I would like to ask the minister, in view of the high levels—the very excessive levels of this soil toxicity—if he has not examined and done a soil sample at the school that is adjacent, only 10 feet from the testing sites? In addition, has he contemplated contacting the school to see whether the children have been affected by these high levels of cadmium?

Hon. Mr. Parrott: I know we have done a fair amount of work in that area. But I don't have these details at my fingertips. I think it would be much better to give the member a full report, and I am prepared to do so.

Mr. M. Davidson: To the minister: Given that the minister and I have had a great deal of correspondence on this subject, dealing not only with the company mentioned by my Liberal colleague but also another company; given the fact that the ministry has done an extensive survey on the schoolyard, in terms of soil and air testing samples, and given the fact that these surveys indicate that levels of lead, cadmium, nickel, zinc and copper in certain sections of that schoolyard, are very extensive in terms of going beyond the levels set by your ministry as being acceptable—in some cases 250 times greater than the acceptable level—will the minister now take into consideration the removal of the topsoil from that schoolyard, and the replacement of the topsoil, in order to ensure that the children of that school are guaranteed—not just given an assurance but guaranteed—that nothing will happen as a result of the contamination of that soil?

Hon. Mr. Parrott: I think, Mr. Speaker, that the original question was whether or not we would lay charges. I believe that was the question—

Mr. M. Davidson: You're evading the question, Harry.

Hon. Mr. Parrott: —and if it is, then I am sure it would be very wise of me to find out from legal services our position on that prosecution. As I said, I can get that as early as tomorrow.

Mr. M. Davidson: Answer the question—

Mr. Cooke: Answer his question.

Hon. Mr. Parrott: There is no problem in getting it. As I promised earlier, I will give a report tomorrow. The members had a great deal of information on it, but the question was on legal charges. I am not going to commit myself until such time.

Mr. Foulds: You're really trying to chicken out, Harry.

IRON ORE SUPPLIES

Mr. Martel: I have a question of the Premier. The Premier will recall that National Steel Corporation of Canada Limited decided to close its Moose Mountain operation, because of an oversupply of pellets. Is the Premier aware that Mr. Anderson, the president of Hanna Mining Company, which operated Moose Mountain for National Steel and who advised the Minister of Labour and me that there was an oversupply in the United States, made the following statement to the stockholders in July:

"Demand for iron-ore pellets in North America remains strong, and the four Hanna-managed domestic pellet projects operated at capacity throughout the first half. The sales outlook remains good for iron ore in North America for the balance of the year."

Doesn't this contradict what the government was advised? Is the government of Ontario prepared to establish a proper monitoring system, so that we will know exactly what is happening in the marketplace and be able to protect our workers in the interests of Ontario?

Hon. Mr. Davis: I would be delighted to have those observations. Once again going by memory, I recall discussions that there were at least two kinds of pellets—perhaps four or five kinds of pellets. Whether the gentleman was referring to, shall we say, a demand for one kind of pellet that wasn't being produced at the particular mine that the Minister of Labour worked so hard with, I can't comment. I would have to get that material from the member to determine just what pellets we are talking about in order to be in a position perhaps to give him some better answer.

Mr. Martel: They have been very neatly trying to avoid telling us what pellets they are, in fact, talking about.

Supplementary: Is the Premier further aware that Anderson makes the following statement: "In Brazil, iron ore shipments by MBR at 7.6 million tons were up 10 per cent from the first six months in 1978"? Is the Premier aware that this 10 per cent increase represents approximately 700,000 tons, which is approximately the same amount produced at National Steel in Capreol? What action does his government intend to take to protect Ontario workers from multinational corporations manipulating in this fashion?

Hon. Mr. Davis: Mr. Speaker, I'm not privy to the information from Mr. Anderson

or what he is saying. If the honourable member will send it on to me, I'd be delighted to see it. Once again I might have to ask the question: Are the pellets from Brazil the same kind of pellets we were discussing at the time we were working so hard to keep this organization going?

EMPLOYMENT OF ILLEGAL IMMIGRANTS

Mr. Roy: Mr. Speaker, I have a question of the Attorney General, Solicitor General and chief law officer of the crown in this province. It deals with the incident we've been reading about lately concerning his colleague, the Minister of Industry and Tourism, and the matter of domestic help.

Would the minister advise whether he has been appraised of any investigation in relation to the incident, either by immigration officials or by his federal colleague, the Solicitor General of Canada, pertaining to the provisions of the Immigration Act, and more specifically section 97 of the Immigration Act, which makes it an offence punishable by indictment or summary conviction for anyone who knowingly engages for employment one who is not authorized to work in this province?

Secondly, would the minister look at subsection 2 of that section, which states that knowingly means not to exercise reasonable diligence? Would he look at that, investigate this and report back to the House?

Hon. Mr. McMurtry: I haven't had any communication with the federal Ministry of Justice with respect to this matter, Mr. Speaker.

Mr. Roy: Supplementary: Would the minister, as chief law officer of the crown, undertake to communicate with the federal Solicitor General or immigration officials and report back? In relation to the question of reasonable diligence, apparently a determination as to one's status can be easily made if one checks with the immigration officials, who will advise that all you have to do is either look at the passport or make a phone call and they will investigate.

Hon. Mr. McMurtry: The honourable member fully knows it is not the responsibility of the Attorney General or the Solicitor General—

Mr. Roy: Or the chief law officer of the crown?

Hon. Mr. McMurtry: —for Ontario to undertake any investigation with respect to an alleged or possible breach of the Immigration Act. The member for Ottawa East knows that, and it's petty, political, partisan purposes which motivate him to ask such a question. All I can say is he should be ashamed of himself.

Mr. Roy: Supplementary: I think the Attorney General and chief law officer of the crown knows that we as members of the opposition have a duty, and one of those duties is to see the enforcement of federal and provincial statutes. As chief officer for the crown, is he saying if there's been a breach of a federal statute it is no concern of his? Is that what he is saying?

Hon. Mr. McMurtry: What I'm saying is that some members should go back to law school.

ASSAULT CASE

Mr. Stong: Mr. Speaker, I rise on a point of personal privilege. Last Thursday, in response to a question I asked of him concerning the apparent double standard of justice dealt out in a case in one of our local courts, the Attorney General answered in this way, quoting from Hansard, page 3301: "I would again, Mr. Speaker, invite the members of the opposition to sort of communicate in some more rational form the nature of their concern."

Pursuant to that request from the minister and pursuant to the standing orders of this House, I gave notice in writing that I wished to communicate the nature of my concern in the more rational form of the late night debate last Tuesday night.

[3:15]

You are aware, Mr. Speaker, that at that time neither the minister who issued the invitation, nor his parliamentary assistant, had the courtesy to attend.

Interjections.

Mr. Stong: It seems to me the minister, having issued the invitation and having failed to respond, owes it to this member and to this House to explain whether he is prepared, at this time, to allay the concerns expressed by me in my question.

Interjections.

Hon. Mr. McMurtry: It's not a point of personal privilege, Mr. Speaker, and I don't think it deserves a response.

An hon. member: Back to small claims court.

Interjections.

An hon. member: Height of arrogance.

Mr. Speaker: Order. I want to draw to the attention of members of this House that they do have the right at the proper time to

put questions to the ministry. The ministry can choose to answer them in any way they see fit, or they can choose not to answer them and members can draw their own conclusions.

With regard to the member's dissatisfaction with the answer to a question and serving of notice under standing order 28 that he wished to discuss it that evening, he had his opportunity. There again, the minister responds in the way in which he chooses.

ANNETTE BARNES

Mr. Conway: Mr. Speaker, I had a matter of urgent and pressing necessity with respect to the case of Mrs. Annette Barnes that I wished to direct to the Minister of Health (Mr. Timbrell), but given your postscription with respect to the matters of privilege I'll have to deal it with otherwise.

Mr. Stong: Mr. Speaker, on a point of privilege.

Mr. Speaker: Another one?

Mr. Stong: Just in response to what you have said.

Mr. Speaker: No.

Mr. Bolan: Let him respond.

Mr. Speaker: Respond to what?

Mr. Bolan: To what you just said.

Mr. Speaker: I've made the decision with regard to the point of privilege.

Mr. Bolan: There was nobody here for him to talk to.

Mr. Speaker: That's not my problem.

Mr. Bolan: Who was he going to talk to right now?

Interjections.

Mr. Speaker: Order.

REPORTS

STANDING RESOURCES DEVELOPMENT COMMITTEE

Mr. Villeneuve from the standing resources development committee presented the committee's final report on the acidic precipitation, abatement of emissions from the International Nickel Company operations at Sudbury, pollution control in the pulp and paper industry, and pollution abatement at the Reed Paper mill in Dryden, and moved its adoption.

On motion by Mr. Villeneuve, the debate was adjourned.

Reading dispensed with.

STANDING SOCIAL DEVELOPMENT COMMITTEE

Mr. Gaunt from the standing social development committee reported the following resolution:

That supply in the following amounts to defray the expenses of the Ministry of Health be granted to Her Majesty for the fiscal year ending March 31, 1980:

Ministry administration program, $49,262,000; institutional health service program, $2,747,979,000; community health services program, $130,877,000; health insurance program, $1,254,493,000.

MOTIONS

SELECT COMMITTEE ON HYDRO AFFAIRS

Hon. Mr. Wells moved that the select committee on Ontario Hydro Affairs be authorized to sit Wednesday, October 24, 1979.

Motion agreed to.

ESTIMATES

Hon. Mr. Wells moved that on October 19, 1979, the House consider the estimates of Management Board of Cabinet and resume the estimates of the Ministry of Intergovernmental Affairs on Monday, October 22, 1979.

Motion agreed to.

INTRODUCTION OF BILLS

MUNICIPAL FRANCHISES AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 146, An Act to amend the Municipal Franchises Act.

Motion agreed to

Hon. Mr. Wells: The purpose of this amendment is to clarify that an Ontario Energy Board order, renewing or extending the terms of a right to operate works for the distribution or supply of gas in a municipality, is deemed to be a valid bylaw of the municipality assented to by the electors for the purpose of the Municipal Franchises Act.

LOCAL IMPROVEMENT AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 147, An Act to amend the Local Improvement Act.

Motion agreed to.

Hon. Mr. Wells: This bill clarifies that a majority of the members of a court of revision shall constitute a quorum and that a

quorum is sufficient to exercise all the powers and duties of the court of revision.

CERTIFICATION OF TITLES ACT

Hon. Mr. Drea moved first reading of Bill 148, An Act to revise the Certification of Titles Act.

Motion agreed to.

LAND TITLES AMENDMENT ACT

Hon. Mr. Drea moved first reading of Bill 149, An Act to amend the Land Titles Act.

Motion agreed to.

REGISTRY AMENDMENT ACT

Hon. Mr. Drea moved first reading of Bill 150, An Act to amend the Registry Act.

Motion agreed to.

EDUCATION AMENDMENT ACT

Mr. Martel moved first reading of Bill 151, An Act to amend the Education Act, 1974.

Motion agreed to.

Mr. Martel: The purpose of this bill is to provide for the establishment of schools for trainable retarded children by the Roman Catholic separate school boards. Divisional boards are currently authorized under the act to establish schools for trainable retarded children. The provisions of this bill parallel, with necessary modifications, the provisions of the act authorizing divisional boards to establish these schools.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

ALL ONTARIO PITCH-IN DAY ACT

Mr. G. I. Miller moved second reading of Bill 134, An Act to provide for an All Ontario Pitch-In Day.

Mr. G. I. Miller: I think we have made quite a few strides in implementing some parts of this bill. The minister has made this known in the past week and I feel proud to have played a small part in bringing this change about.

I might also indicate in my opening remarks, the Ontario Federation of Anglers and Hunters were very much responsible for bringing it to my attention and to the attention of the Liberal caucus. They have done a tremendous amount of work in establishing an All Ontario Pitch-In Day.

I might point out to Mr. Speaker I hated to leave my riding of Haldimand-Norfolk today because there is an historical occasion taking place there. The Haldimand Ploughing Association is holding their 50th anniversary match. As one who has participated in ploughing for quite a few years, I would have liked to have been there to participate. There are going to be a lot of old farmers there today. In fact, I think a couple of ploughers who ploughed in 1929 will be ploughing today, Russ Hare and Freeman Nixon.

The secretary of the Haldimand Ploughing Association is none other than A. Gordon Skinner, our agricultural representative for many years in Haldimand county. He started in that capacity around 1929.

The intention of my private member's bill is, of course, to motivate and encourage all Ontarians to help keep our urban and rural areas free of litter. Of particular importance is the participation of school boards, community groups and municipal governments. Obviously, the co-operation and support, financially as well as at the staff level of the provincial government is essential.

As long ago as January 1978 the Ontario Federation of Anglers and Hunters approached the former Minister of the Environment (Mr. McCague) with a proposal for such a pitch-in day. That is almost two years ago. My private member's bill was first introduced in this House on June 15 of this year.

Just this week the Minister of the Environment announced a new environmental project organized by the Ontario Federation of Anglers and Hunters, namely the undertaking, with the help of the ministry, of a one-day blitz by volunteer groups from the federation, service clubs, schools and other organizations. If I were cynical, I might be tempted to comment on the timing of the minister's announcement, almost two years after the initial approach of the federation to the government, just before my private member's bill on the subject was due for second reading.

The pitch-in day organized by the Ontario Federation of Anglers and Hunters is to take place, as you know, June 7, 1980. Cleanup operations are to be staged clearing litter from streams, shores, back roads, picnic areas, campsites and other off-the-beaten track areas which lack regular collection services.

Over the past year or so, support for this endeavour has been forthcoming from members of all parties in the House. I might add the former Minister of the Environment, was supportive of it. The leader of the third party, the member for Ottawa Centre (Mr. Cassidy), was supportive of it. I might read the comments he made in a letter in response

to the Minister of the Environment at that time:

"The proposed involvement of school children is especially worthwhile. It is important that we instill good conservation and concern for the environment in our children at an early age, and participation of this kind is one of the best ways to accomplish this objective."

[3:30]

I hope that equal substantial support will be given to this bill, which we are at present debating. Several of my colleagues in the Liberal caucus have expressed wholehearted and enthusiastic support. So has the leader of the third party. The Premier (Mr. Davis) himself has personally asked a number of his ministers' to give their considerations to the concept.

In addition, the project has deservedly received strong support from other organizations, including the Conservation Council of Ontario and the Northern Ontario Tourist Outfitters' Association.

Needless to say, I am delighted that the 1980 Pitch-In Day is to become a reality at last, and that it has been endorsed by the provincial government. However, this is only the beginning. It needs to become an annual event. Cleaning up our environment cannot be a short or a one shot affair. This excellent project needs to be expanded and maintained in perpetuity. It needs, and deserves, the full and continued support of the provincial government; as well as municipal government, school boards, and local community groups.

For far too long, we have taken our Canadian heritage for granted. We have been careless of our natural environment in so many ways. We all realize, of course, that there are extremely serious and potentially very dangerous environmental hazards to be considered. However, this is not the time for discussing those matters. Many Ontarians are appalled, even a little frightened, by the stories they hear; and when they read about the manifold risks to which we are exposed. Obviously these issues must be dealt with thoroughly, effectively, and with as little delay as possible. Nevertheless, many citizens feel that these weighty matters are almost beyond their control.

"What can we do about acid rain or nuclear contamination?", they ask themselves. We can stay alert to the dangers. We can bring pressure to bear on our elected representatives to make sure that everything possible is done to protect us, our families and our future generations; but beyond that we can do nothing.

However, the type of environmental protection with which my government's bill is concerned, is something to which everyone can relate, an endeavour in which we can all participate to some extent. Above all though, it must be an ongoing campaign, that's why I believe it is so important that the Pitch-In Day becomes an annual event. We need to focus public attention and effort on the importance of maintaining and improving the natural environment of our province, on a recurring basis if not on a continuous basis.

I am particularly anxious that the Minister of Education (Miss Stephenson) should aggressively encourage every school board, and every school in the province, to sponsor special programs and activities, and participate to the fullest possible extent in the project. Schools which take a full and active part should receive full credit for the day as part of the environmental education program.

Frankly, I consider this provision and proclamation of a special day within the school term each year of prime importance. Such a day would give our children and young adults early training in the important tasks of becoming involved in the protection and preservation of the natural environment within the vicinity of their homes and schools.

To my view, every ministry should make an effort to facilitate and encourage participation in All Ontario Pitch-In Day by all Ontarians, young and old. Co-ordination of the program should, of course, be assumed by the Ministry of the Environment. At least 30 days before the actual Pitch-In Day there should be a widespread and imaginative promotion campaign to inform the general public of all programs and services offered by each ministry in support of the program and hopefully to encourage as many people as possible to participate.

Appropriate garbage bags should be provided and containers should be attractive, novel and interesting, with a view of reminding people of the importance of the campaign and the necessity to make every use of the containers.

The Ministry of Transportation and Communications has increased the number of highway litter sanitation disposal stations available to ensure that more than an adequate number are located and easily accessible at regular intervals along our highways and throughout the province. This ministry should also provide facilities for the collection

and disposal of materials placed in the special containers.

The view has been expressed that the provincial government is reluctant to endorse the idea of Pitch-In Day on an annual basis until public reaction to and participation in the scheme can be assessed following the event organized for next June 7. Experience in other provinces would indicate that there need be no doubt on this score. I would like to bring to the attention of the House a similar program in Manitoba called Orbit. I believe it is considered to be a tremendous success. It has been described as one program that we have never heard criticized. In fact, the vast majority of citizens wonder why it wasn't started years before. I might add that that Orbit program was in effect back in 1965. I recall it well, as we made a trip across Canada and I noted at that time the effectiveness and the originality of the containers that they have to contain the waste materials along their highways.

According to the Saskatchewan Minister of the Environment, that province's Pitch-In Day in 1979 was too much of a success. Over 800 certificates were issued to schools, organizations and groups who participated in the annual anti-litter campaign held from May 7 to May 12. Half a million litter bags were purchased and distributed by the Ministry of the Environment, but there were simply not enough bags to fill all the requests. However, even shortages of these special little bags did not dampen the enthusiasm of the people or deter them from energetic participation in the campaign.

Many groups went ahead with special projects, using locally sponsored bags. I doubt very much that the people of Manitoba and Saskatchewan are any more concerned about the environment than the people of Ontario. Personally, I have every confidence that if the government will give its approval to the concept of an annual Pitch-In Day, we will all be surprised and gratified at the support that the event will receive from the general public. That is why I have no hesitation in asking the members of this House to give their unqualified support to this private member's bill, regardless of party affiliation.

With those few comments, I am pleased to have the opportunity of bringing it before the House. I feel there are four ministries that should be totally involved, particularly the Ministry of Education, because I feel it is a good training ground for our young people. It should be proposed on a yearly basis so that they can look forward to it as keeping Ontario clean. The Ministry of the Environment, the Ministry of Natural Resources and the Ministry of Transportation and Communications all need to be closely tied in to this program.

Mr. Deputy Speaker: The member has seven minutes remaining in his time. Does he wish to reserve any of that?

Mr. G. I. Miller: I will say yes and see at that point in time.

Ms. Bryden: On this important day, marking the 50th anniversary of women being declared persons, I am very glad to be recognized by you, Mr. Speaker, as a person and I hope you will be recognizing many more in the future.

When I first looked quickly at the title of this bill, for a moment I thought perhaps it had something to do with legalizing the activities of the member for Grey-Bruce (Mr. Sargent) who occasionally organizes baseball games to keep members in fit condition, but I realized when I looked at it more closely that it was an important environmental bill. That's why I would like to speak on it.

It puts into legislative form an idea which the Ontario Federation of Anglers and Hunters brought forward two years ago. I think they circularized all members with that proposal. At that time I expressed my enthusiasm for the idea. I notice that in the accompanying letter from the federation, which they sent to the Premier and sent copies of to the members, they made this statement: "But now the ball is in your court. The resolution is yours to be dealt with at your discretion or that of the government. What action will you take? What leadership will you provide to this program designed to involve all of Ontario's citizens in the cleanliness of their province?"

From the Premier there was nothing but silence, until two years later. After the member for Haldimand-Norfolk (Mr. G. I. Miller) had introduced his bill, the Minister of the Environment (Mr. Parrott) suddenly responded to the ball in the Premier's court. When I received the idea I hadn't thought a bill would be necessary, but perhaps it is the only way to get the Premier and the government to return the ball.

The statement the Minister of the Environment issued in a press release last Monday doesn't even give any credit to the member for Haldimand-Norfolk for introducing this bill. In fact, it sounds as though it was his idea. It looks to me as if he was trying to upstage the member by using Environment Week as an excuse for getting out a statement on the subject.

But perhaps I am somewhat cynical; perhaps, instead, he was indicating to this House

the government is actually going to let a private member's bill go through all stages—right to third reading and royal assent—and perhaps this was a signal to the House. Since we introduced the private members' hour, with bringing bills to a vote, I think only one bill has ever succeeded in going through to royal assent. So perhaps the Minister of the Environment, by issuing his press release and endorsing the idea embodied in the bill, is going to ensure this bill will go through to royal assent.

However, there is one section in the bill that should give the Minister of the Environment some concern. The bill doesn't just say we should have an All Ontario Pitch-In Day involving the citizens in cleaning up the messes which the Minister of the Environment has allowed to develop, through weak litter laws and not providing proper recycling facility, resource recovery plants throughout the province and things like that. I am sure the Minister of the Environment is glad to have the citizens clean up his messes, but the bill does more than that. It puts the responsibility on the Minister of the Environment to provide the facilities where all the huge amount of material that we hope will be collected on Pitch-In Day will be deposited.

Section 3 mentions that the government must ensure there are adequate highway litter and sanitation disposal stations available throughout the province for disposal of this material. That is a pretty big responsibility for the minister because he has just admitted this week that he hasn't got a place to put toxic liquid industrial wastes other than in landfill, where a good deal of it is going right now. It is over a year since he announced he was going to close landfill sites to such waste by December 31, 1979. This week he has admitted that deadline will have to be ignored. He hasn't named a new one.

The reason? He hasn't succeeded in getting the private sector to provide the alternatives for the use of landfills for such waste. He should have recognized that he can't make promises and then say private industry must fulfil them for him.

Moreover, he is faced with a growing number of landfill sites which are being filled up and will have to be closed down soon. If this Pitch-In Day is successful and a great amount of material goes into the landfill sites as a result, the day when those sites will have to be closed will come that much sooner.

[3:45]

We all know there is growing public resistance to the opening of new landfill sites. There's a concern about using valuable agricultural land for such purposes as garbage disposal. There's the cost of the land itself. There are fears about gases and leachates from such sites.

So by endorsing Pitch-In Day, the minister is put on the spot to get moving on providing alternatives to landfill itself. At least four years ago, his predecessor promised to phase out landfill by building recycling and resource recovery plants throughout the province. We have one little pilot plant in Downsview that handles less than 10 per cent of Metro's garbage and it is still having startup problems.

If the minister had a more positive program to encourage the development of a conserver society, he wouldn't be in such a bind by endorsing this bill. He wouldn't be faced with as much litter and disposable material if he had been more active in working with his Ottawa counterparts in developing more sensible packaging. He wouldn't be in such a bind if he was doing more to promote the three Rs for waste management: reduce the waste at the source by packaging and redesign of processes; reuse the waste by exchange of material; and recycle the waste by converting materials into other usable products such as energy and all sorts of things that waste can be recycled into—such as things to construct roads.

I think the minister should consider his endorsement of Pitch-In Day as also placing a big responsibility on himself to see there is much less litter and other material for Pitch-In Day workers and volunteers to pick up.

If he hadn't had lax waybill systems that permitted handlers to dump all sorts of things at midnight, as far as we have heard, there wouldn't be a lot of material in our ravines and ditches and recreation areas that needs cleaning up.

I hope the Minister of Environment does not consider Pitch-In Day once a year as a full answer to public involvement in protecting our environment. For many years I have been urging him to involve the public at all stages of the environmental protection process, to have a say in setting standards and in the appeal procedure.

Mr. Deputy Speaker: The honourable member's time has expired.

Ms. Bryden: Thank you, I'll just finish then. He should also assist the public in a financial way to participate in all those processes.

Mr. Cureatz: Mr. Speaker, I am particularly proud today to take part in this debate concerning a Pitch-In Day for Ontario. I think it's a very worthwhile project. It's an

initiative that shows some ingenuity on the part of the opposition and may be especially on the part of our own Ministry of the Environment.

I believe this is a very significant development. We've all heard a great deal about the environmental issue for the past decade or more.

Mr. Laughren: Where's Doug Moffat when we need him?

Mr. Cureatz: The member has forgotten that the former member is now working for United Parcel Service, that great, free-enterprising American firm.

We've heard that the culprit is the energy industry. We've heard that big business is to blame. We've even been told that the real villain is the growth of the economy itself.

I have no doubt that we, who live in the industrialized world, have the potential to cause some pretty dramatic changes in our environment. I question the point of view that these are all bad. However, I believe we are on this earth to bring the desert to bloom and to work with nature in such a way as to promote the common good of humanity.

In this province we have a record we can be very proud of. I grant Ontario is not the total Garden of Eden, although I am happy to live here more than in any other place in the world. All our citizens have easy access to lots of unspoiled natural beauty spots.

Mr. McClellan: Just bring your umbrella for acid rain.

Mr. Cureatz: One of the basic values of democracy is a strong conviction that the actions of the individual men and women in this society count, that individual initiative makes the difference—

Mr. McClellan: You should give everybody a steel umbrella.

Mr. Cureatz: —and that it is an important source of the strength of the community and the government alike.

To be frank, I resent the suggestion that this government has been asleep on the so-called environmental crisis. Far from failing to rise to the challenge of environmental management in today's complex world—

Mr. Laughren: The Minister of the Environment (Mr. Parrott) hasn't done anything.

Mr. Cureatz: —it has consistently assumed a leadership position in this area.

Mr. Laughren: Let the record show the member is smirking.

Mr. Cureatz: Let the record show the great applause after that statement.

Mr. McClellan: Let the record show there's no one in the House.

Mr. Cureatz: While I agree that careful regulation and a high degree of co-operation among all the sectors of our society are necessary to keep on top of environmental issues, I think we are doing rather well in this regard. I particularly resent the idea put forward by the opposition that it is incumbent upon this government to legislate individual and community action in order to get our citizens to do what they will naturally do anyway.

Mr. McClellan: Let the record show what a stupid comment that was.

Mr. Cureatz: Everyone who has any sense of civic responsibility whatever, which includes by far the greater part of the people of this province, would find it incredibly insulting for this government to legislate a Pitch-In Day.

Mr. Laughren: You have the depth of a wading pool.

Mr. Cureatz: On the other hand, I firmly back any moves made by this government to give support to the strong desire I know our citizens feel to keep doing all they can to maintain a clean, litter-free environment in the communities, be they rural or urban. There is certainly no harm in giving that type of initiative a pat on the back. That is what I feel the effect of an official Pitch-In Day, as announced by the government of Ontario, will be.

Also, I hope it will serve to encourage the fine men and women who serve this government in its various ministries to organize programs for cleanups, which will link in with those of the voluntary sector. I think this is a very good example of what I mean by co-operation among all sectors.

Mr. Laughren: This is an ideological statement.

Mr. Cureatz: I believe it is a crucial element in the drive to maintain this province's leadership position in environmental management. Pitch-In Day will be a fine opportunity to help make our school children aware of how important it is to keep our cities, towns and countryside clean. It will help them to grow up realizing that it is all of us who hold the responsibility for that task.

A very old word fits here, and it is stewardship. Stewardship implies responsible management by all of us of the resources we possess. It suggests that we are responsible for maintaining the productivity of our farms, forests and fisheries. The idea behind

stewardship is that I accept these responsibilities out of a basic human desire to look after what I have responsibility over in order to pass it on to future generations in good shape.

Life is a continuity. It is one generation following another. These are timeworn sentiments, but they hold important truths for us all. The traditional values that have stood the test of time in our civilization must underline every policy we bring forward as we encounter the demands of the present. The challenge is a large one, and it is an ongoing one. This government has capably risen to the challenge in the past and it is once again showing the leadership it is well recognized for.

I certainly am pleased to partake in this debate about Pitch-In Day. Much of the energy of our people in government, in the schools, in service clubs, in youth activities and in community associations will help people realize that we all have a role to play and that the individual and collective assumption of responsibility of all our citizens is an important key to keeping Ontario clean.

With those few remarks, I will continue on to the justice committee.

Mr. B. Newman: It is indeed a pleasure for me and a privilege also to speak in support of the private member's bill of my colleague, the member for Haldimand-Norfolk, entitled, An Act to provide for an All Ontario Pitch-In Day. I think that not only is the member to be commended, but also the Ontario Federation of Anglers and Hunters for being the sparkplugs for such a resolution and for hoping we can convince the community at large to realize that they do have a responsibility, more than just their own responsibility, to keep things neat, tidy and clean.

Naturally, we're all pleased to learn that approval has been finally given for the Pitch-In Day to take place on June 7, organized by the Ontario Federation of Anglers and Hunters. This happens to be a Saturday and I'm just wondering how you can really get the student body of our many elementary and secondary schools involved to the extent we would like to have them involved. I would assume the ministry would be right in naming it a pitch-in week, rather than solely a pitch-in day, so we could have our younger folk involved during that whole period of time.

The timing of the announcement by the Ministry of the Environment of a Pitch-In Day was certainly very interesting, almost as interesting as the fact that the government is prepared to support a concept which is incorporated in a private member's bill, especially the bill of a member of the opposition. In this connection, perhaps we should take a look at the record with respect to private members' bills and resolutions which have been introduced since the last provincial election in 1977.

As of October 11, 1979, only 15 bills have been passed; none of them have gone past the committee stage. Some 26 bills have been blocked and 10 have been defeated.

The record with respect to resolutions is somewhat better; 23 have passed, 11 have been blocked and none have been defeated. Let's hope the batting average for private members' bills in this instance will be considerably better.

My colleague has stressed the importance of participation by provincial ministries. Obviously, any campaign of this sort to be truly effective must have the co-operation of various branches of government, as well as various levels of government—municipal, provincial, federal. However, the overall factor which must be taken into account in considering legislation to implement an annual Pitch-In Day, as well as the success or otherwise of such an event, has to be the extent of public participation; how many people want to get involved and how seriously they are going to take their involvement.

We already have evidence of the outstanding success of similar endeavours both in Manitoba and in Saskatchewan. As to the feelings of the people of Ontario on this matter, I would like to draw to the attention of the members of this House the attitude displayed by the people in my own community in the city of Windsor, which I would assume is doubtless typical of the attitude of people throughout all parts of this province.

I have a copy of a page from the Windsor Star of September 26. The article is entitled Points of View. The headline reads: "Litter in Windsor, The Verdict is In; Give us Back our City of Roses."

In August of this year the local newspaper, appalled at the amount of litter throughout the city, held a contest in an attempt to find a solution to the problem. Apparently some of the city fathers were critical of the contest which they felt had overstated the problem. However, the reaction of the people in replying by letter to this important issue was very different.

Basically, it appears the people of Windsor and the surrounding area see the problem as requiring four steps in order to reach a solution. The first step is the recognition of the problem. Here, suggestions ranged—and

these are by way of letters from the constituents—from billboard, radio, television and newspaper advertising to personal contacts with litterers and civic authorities.

The second step was education. This was a major category, with emphasis particularly on children and teens, though not leaving the other segment of society out.

[4:00]

The third step was action. Here the responses have a really great variety. Many people felt a strong need for public action, through the services of students, unemployed workers or block participation on a citywide basis with some sort of suitable reward as an inducement.

I'd like to place on the record the prize-winning suggestion from a Miss Dale Anne Hillis of Chilver Road. She happens to be in the riding I represent. She is also a young lady very much concerned with the problem. She writes: "Each spring Windsor is bombarded with walkathons, bikathons, dancathons and every other thon you can think of. Each of these thons has a very worthy and worthwhile cause. Each, however, despite its worthiness, usually leaves a trail of litter, trash and junk behind it.

"As the young, and not so young, of our fair city walk in these walkathons, they use up a great deal of energy. Their feet ache, their legs ache and their bodies ache. Why not channel all this untapped energy and reward these aches and pains by putting them to work for a useful cause?

"Every September, after a summer of littering, Windsor can have a litterathon. Each participant, as in other thons, has many sponsors who pledge money to the participant. All workers would pick up litter in designated parks, streets and sidewalks to earn their pledged money. After approximately four hours, the litterathon would be over. The streets and parks would be clean and Windsorites would be more conscious of the littering problem.

"The money can go to a good cause, such as the Salvation Army or St. Vincent de Paul, to be used toward giving all poor Windsor families a merry Christmas. A dual purpose, therefore, is served. It will make people more conscious of litter by actually cleaning up Windsor streets themselves, and it would help the poor at the same time."

There is the letter of the young lady whose comments were selected as the most outstanding.

The fourth step and suggestion was punishment or reward. There were a number of suggestions in this category. Responses to the contest organized by the Star was considered overwhelming. Clearly, the people of Windsor are very much aware of the problem of littering. Equally clearly, they are anxious to see the problem solved.

As the organizers of the contest stated: "There is one overriding message that comes through loud and clear from the people of Windsor: 'Give us back our city of roses.'"

This enthusiastic and constructive response to the Windsor Star's contest augurs well for the success of an annual All Ontario Pitch-In Day.

Mr. Deputy Speaker: The honourable member's time has expired.

Mr. B. Newman: I just have a minute or so, Mr. Speaker.

Mr. Deputy Speaker: I'm sorry, I can't give you a minute. I can give you 30 seconds.

Mr. B. Newman: He has seven minutes left. All right, I'll finish it off then.

If the government's reluctance to make a commitment to such an annual event is truly motivated by uncertainty about public response, then, clearly, there is no further need for such reluctance. As my colleague has already pointed out, there are many areas of environmental protection and improvement in which the average person is unable to make a great contribution. This is not so with respect to an anti-litter campaign such as envisaged by the bill.

The institution of an annual Pitch-In Day would give everyone an opportunity to make a valuable contribution and I think the people of Ontario should have that opportunity.

Mr. Deputy Speaker: Order. The honourable member's time has expired.

Mr. M. Davidson: I was quite prepared to allow the member the 30 seconds or so to complete his remarks. I think perhaps they may be needed for those who want to be encouraged to support the bill.

I see no problem with the principle of the bill, as such. I think the efforts of the member in putting forward the bill are excellent in the sense that maybe he wanted to draw to the attention of the government the necessity for taking action in certain areas.

I'm not at all certain, however, that the type of day that is proposed, or the need for the type of day that is proposed in the bill, should in fact be enshrined in legislation in the province of Ontario. There are, without question, many reasons as to why it is that Pitch-In Day could be used, I would expect, to help maintain and clean up communities. What the previous speaker just indicated to me is that there was a plea on behalf of the people of Windsor to appar-

ently, "Give us back our city of roses." I would expect that whoever it was made that plea also realized that the people who were destroying their bed of roses were the same people who lived in Windsor, in addition to those who may visit Windsor on occasion.

I think that this kind of legislation is good, but what it is saying to me, in effect, is that as far as we in this House are concerned, there should only be one day in the year when we should be concerned about the environment and about what happens within our community.

There has been, in my riding, for a good number of years a Pitch-In Day. It was set up by people in the community and they do utilize the students in the schools. They utilize the workers in the plants. It normally is held on a Saturday and the school children are made aware of that day two or three weeks prior to that date. They do go around; they do clean up the litter.

I'm very pleased to say that I am a recipient of an award of some sort, I guess, from one of the classes in one of the schools because I spoke to them and gave them some instruction as to what it meant to keep the environment clean within the community in which they live; that they should be proud of their community. If they're proud of it they will help to keep it clean—not on one day a year; my goodness, let's do it every day of the year.

Basically, that's the main fault I find in the act.

There's another fault that's involved here, though. By encouraging and enshrining in legislation this kind of a policy, what we are, in fact, saying to communities throughout this province is that once a year we're going to rely on the people within our municipality to go out and clean up the joint, so why don't we just lay off two or three municipal workers who normally patrol the river bank and normally patrol the back alleys and normally pick up the litter that gathers in these areas. It doesn't really matter because nobody sees it anyway. Once a year we can go and weed out what has been collected there over that period of time.

I can see, in effect, it may be minimal in one or two communities if you lay off one or two workers. But if you apply that philosophy to each municipality in the province of Ontario, you've got a large number of workers that are out of work because once a year the municipality or the community is going to rely on the community as a whole to go out and do the work and the job that these people have been doing day in and day out for many years. That's a fault.

The intent of the bill as I see it is to keep the environment in the province of Ontario clean. Nobody can argue with that intent, that magnificent intent. It's an intent that the Ministry of the Environment itself should have through actions on behalf of the ministry, educational programs to the public and various other means. Maintaining the environment or the cleanliness of the environment doesn't necessarily mean only the garbage you find on the surface; it means some of the garbage we have to breathe, walk on and live with, day in and day out.

Earlier today a question was raised by my good friend, the member for Wentworth North (Mr. Cunningham). It dealt with the contamination of soil, which is environmental garbage or litter. He was right when he said that kind of thing shouldn't be allowed. He was right when he said it was the responsibility of the Ministry of the Environment to do something about that. They haven't done so.

They have been well aware of it since way back in April or May of this year. For that matter, the ministry was aware of that kind of pollution back in October of 1978. Yet, they neglected to notify the regional health unit in the municipality of Waterloo. They neglected to notify the Waterloo County School Board that situation existed. Worse yet, they neglected to notify the teachers in that school and the parents of the children involved. None of those people were aware from October 1978 until May of 1979 that there was a problem.

To me that is environmental pollution. To me that is environmental litter and to me that is a failure on the part of the ministry of this government to do something in order to maintain the environment in which we live.

I am not at all sure this act would help that problem. There are five metals involved there. One of them is copper. The acceptable level of copper in soil in this province is 100 parts per million. In some areas of that schoolyard there is 17,433 parts per million of copper in that soil. In other areas there is 9,617 parts per million. The acceptable level to the Ministry of the Environment is 100 parts per million for copper, yet they fail to take any action to rectify that situation.

I don't know what this bill does for that. Maybe I should ask, in order to clean up the environment in that school yard, should I vote for this bill so that we can encourage volunteers in the municipality of Cambridge to pick up shovels one day a year, go into

the Manchester Public School yard, shovel the dirt out of there and replace it with new topsoil? Is that the responsibility of the people in this community? Is that what has to be done in order to get this matter corrected?

I don't believe so. I believe the necessity for bringing this kind of bill before the House is the failure of the Ministry of the Environment to take action in areas where it is necessary.

Certainly we pollute. Each and every one of us in this House, up in the gallery, out on the streets—one way or another we pollute the environment. Each one of us in his own way can correct what we do. But in a situation such as exists at Manchester Public School, that is the responsibility of this government; that falls directly under their means and ways of handling situations such as that.

I can only say one thing right now: They have failed miserably—failed the children in that school, failed the teachers in that school, failed the parents, failed the school board, failed the regional health unit. Still today the minister sits there and says nothing.

I doubt very much this bill will be allowed to pass. My good friend from Haldimand-Norfolk I am sure had every good intention when he brought this bill forward of seeing it was implemented and enacted, either through his bill or through the action now being taken by the government.

My own personal feeling is that even if this bill passes, as minimal as it is in what it does, it will mean nothing as long as we have a minister who sits there and says nothing when a direct question is asked of him.

[4:15]

Mr. Eakins: I am pleased to just take a moment or two and offer my support to Bill 134. I am very much aware of the work of the federation in regard to bringing this to public attention. I also know the personal commitment and the work of my colleague the member for Haldimand-Norfolk (Mr. G. I. Miller). He has been doing quite a bit of work in this regard and deserves full credit for this bill coming forward and the action which has been taken to date.

I think it's very important when we are talking about pollution today that we consider also the pollution of the landscape. Unfortunately, many people think only of the pollution of the water and pollution of the air. One of the big problems we tend to forget is the pollution of the landscape. I am delighted to see that this bill has come forward and the support which it will receive.

It seems to me when we are considering renewal of urban renewal programs, and I am thinking of that great program which I believe in, the home renewal program, which is really helping to prevent the need for an urban renewal program, that we should be supporting a program like this.

I am very familiar with many of the municipal initiatives. I know in my own home town of Lindsay, the council there has shown a great deal of initiative and is doing a great deal in regard to downtown renewal. In fact, I believe it's the first community in Ontario to receive official support from the Ministry of Housing in regard to its downtown renewal program.

I know there are many other communities doing this. It is a step in the right direction and I think we all have to work together on a province-wide scale. I believe that by giving it greater prominence through Bill 134 it will be more effective throughout the province.

I believe that one of the areas in which we can give this a greater profile and greater priority is through an increase in the highway litter and sanitation disposal stations. Sometimes when we travel to other provinces we see that they have made it very attractive to throw our litter into well lettered and bright containers, which I think helps the situation a great deal. So I am delighted to rise just briefly and support this bill which my colleague for Haldimand-Norfolk has introduced.

Hon. Mr. Parrott: I apologize for not being here and, even more so, I apologize for not having prepared a text, as I would have liked to. There were some extenuating circumstances that did not give me that amount of time.

Mr. McClellan: You're not supposed to give them texts in here.

Hon. Mr. Parrott: But as I think the House knows, we have been very supportive of the concept for a long period of time. Indeed, we are going to be very supportive of it next year. I would just again like to put on the record that there will be a grant of $7,500 to assist in promotional material, but more particularly, an extensive $100,000 advertising campaign from our normal budget.

We think that it's a great idea for a Pitch-In Day and to do anything but support the bill would in many ways be very foolish. It is an excellent idea. I also want to give tribute to the anglers and hunters who have been so active in this. I think we have had an excel-

lent relationship with them. What is intriguing to me is that for these dollars we'll literally be able to get the assistance, volunteer assistance, and I think that's the key phrase, of literally thousands of people. The effect of this program will extend to a very large segment of the province of Ontario. They have an excellent distribution throughout the province and nothing but good come of it.

So as long as the the members clearly know that the government supports the concept, we will be pleased. I want to emphasize that. I wish the member had phrased section 1 differently because it does create some real problems for us. I am in a terrible dilemma here today. I totally agree with the concept. The government does. As a matter of fact, we have put our money where our mouth is. Yet when I read the section that says, "This day shall be proclaimed by the Lieutenant Governor," I am afraid I have to vote against the bill. If the member is prepared to remove—

Mr. McClellan: Well amend the clause; this is second reading, not clause by clause.

Hon. Mr. Parrott: Well I know, but I have to have that assurance, Mr. Speaker, because, a letter from the Premier—

Mr. McClellan: Send it to committee and we will look at it.

Hon. Mr. Parrott: —to Mr. Goldstein, dated June 14 of this year, reads as follows: "I wish to acknowledge your letters of April 26 and May 28 written on behalf of the Ontario Federation of Anglers and Hunters concerning Ontario Pitch-In Day. My colleague, the Honourable Harry Parrott has informed me of the progress being made by the federation of anglers and hunters in organizing a major environmental event.

"I share Environment Minister Parrott's expectation that your Pitch-In Day will become an annual event in which thousands of Ontario residents will participate to achieve substantial progress in environmental matters.

"I am pleased that the government of Ontario is able to assist you through the support of Dr. Parrott's ministry in mounting the inaugural day next June."

So that's total and complete commitment to the concept and I am sure the Premier would want me to emphasize that total commitment.

The next paragraph puts us in conflict and I hope the member would hear it out. I think there's logic in this presentation. May I read again from the letter:

"In your letter, you requested that I officially proclaim the designated day in June of 1980 as a means of aiding in the establishment and promotion of your event.

"I regret to advise that because of the large number of requests for declarations, which far outnumber the number of days in the year, it is the practice of my office not to accept requests for declarations except in a very few cases such as Family Unity Month, Senior Citizens' Week.

"However, Dr. Parrott will issue a statement in support of the event on behalf of the Ontario government at the appropriate time next spring."

If the sponsor of this bill is prepared to withdraw section 1 in committee, it would be very easy for me and this government to support it. We are all for the idea, but it would have to be under the firm understanding at this time that section 1 would be amended, or deleted I should say, because as I read from the Premier's letter I can appreciate the number of requests for a specific day are so numerous that we would have a special day every day of the year, which would make all days meaningless and a serious problem would exist.

In summation, if the honourable member would answer that request on our part, it certainly would influence how I could and would vote on this bill. I don't know if I am running out of time—I probably am—but I'm not saying in any sense of the imagination the member must do this. It's no threat. But that section gives me no option and I think there's a lot of logic in what the Premier said.

In conclusion, may I say how much we appreciate the opportunity to discuss this item here in the House. I want to emphasize one thing, perhaps because my colleague isn't here to hear it and I know how much he emphasizes and appreciates the activities of volunteers. I have heard him speak on that many times, and here will be a case, with not a lot of dollars from the government, that will generate thousands of people going out on a common cause in a volunteer way. I can't think of a better use of government money than in that process. As Minister of the Environment, I can't think of a better process than it should be directed towards environmental concerns.

Thank you very much.

Mr. Van Horne: Very briefly, I can't help but commend my colleague for presenting this piece of legislation.

For those members that have expressed some concern about the possibility of municipal employees' jobs being in jeopardy if this theme were pursued; I would have to submit to you that we take the word theme and consider it for a moment. What my colleague

from Haldimand-Norfolk is doing, with this piece of legislation, is presenting a theme.

I am sure we are all aware that Christmas is recognized on December 25, and it is that day on which we hope that the spirit of peace on earth shall prevail upon us for the entire year. Remembrance Day comes along on November 11, and we all hope and pray that the theme that comes along with Remembrance Day, will prevail for the whole year. What my colleague is asking for in this piece of legislation is that a concept be accepted.

In response to the minister's plea that the first section be dealt with summarily by removing it, I cannot answer to that, except to defer to my colleague. My own personal view would be that if we are after a theme that in fact could be accommodated, but that is only my view.

I would draw to the attention of the members of the House that the Catholic Central High School in my community, some four or five years ago started a program for one day in the year. The teachers took the professional activity day, and the students addressed themselves to helping those people in their community who were unable to get out and clean up their properities or their homes, such as the elderly people and those with failing health.

That program now has extended itself really to our whole community. I think those young people at one of our local high schools have done a lot to make that theme or that idea grow. I would hope, if my colleague's bill is accepted, that we might, too, in this province, see that kind of idea presented, and accepted by all of us here in Ontario.

Mr. Speaker: The member for Haldimand-Norfolk does have seven minutes. This item will conclude at 4:37, so perhaps you could use whatever time you have left. Then, if any other member wishes to speak after, he may do so.

Mr. G. I. Miller: I certainly appreciate the support that Bill 134 has received by all sides of the House, and I appreciate the comments of the critic for the NDP, the member for Beaches-Woodbine (Ms. Bryden), for her support.

I realize, when I brought in the bill back in June, that perhaps it is a starting point, and I am really pleased. I don't want to take the credit for it. I really want to pass on the credit to the Anglers' and Hunters' Federation. I think they are the ones who initiated it.

I think it has been an opportunity for a minority government to work on behalf of Ontario. I really appreciate the comments of the Minister of the Environment (Mr. Parrott).

The fact that we have that one day, was again a starting point. After doing some research in Saskatchewan they set a week aside, and it has been very effective.

The one thing that really concerns me, though, is the fact I think it needs to be tied to our education system, because I think that is the real basic to the bill: that we teach our young people to protect our environment, to keep things tidy.

[4:30]

The member for Durham East indicated that the government has been effective throughout its long term of office. I think that we can always find room for improvement. I can recall back to my school days when we had an arbour day. We spent a half a day cleaning up the yard, and the other half of the day was spent at a picnic in a woodlot which was not too far from town. That sticks in my mind.

When my children went to school I don't believe they had that opportunity. Therefore, I think it is so important, it may seem simple but it is so important that we give our children that opportunity to keep their environment tidy and clean. They will care down through the years. I think that is one thing that has to be stressed, that the Minister of Education (Miss Stephenson) has to be involved. I realize, too, that there has never been a private member's bill accepted by the House and brought into legislation. If it could be adjusted to suit the government of the day, and it thinks that it can bring the bill to the benefit of all of Ontario, then I would give it my blessing and support.

So with this knowledge, Mr. Speaker, I appreciate and thank everybody who took part in the debate today. Hopefully it can be constructive for the province of Ontario. Thank you.

Hon. Mr. Parrott: Point of clarification or point of order or whatever, Mr. Speaker. I wasn't quite sure whether I heard the member say he would amend section 1 in the committee stage.

Mr. G. I. Miller: Yes.

Mr. Speaker: Any other members wishing to speak to this bill? There are still six minutes left.

Mr. McClellan: When cabinet ministers don't know the difference between second reading and clause by clause—

Mr. Speaker: Do we have agreement, unanimous agreement to call the second item?

COMMUNITY RESIDENTIAL CARE SERVICES

Mr. Young moved resolution 25:

That, in the opinion of this House, the government of Ontario should take immediate steps to: (a) develop standards and provide support for community residential care services, such as group homes and half-way houses; (b) consider the provision of provincial funding support for local agencies operating that special category of boarding and lodging homes which cater to emotionally, physically or mentally disadvantaged adults; and (c) to provide community support services for the above facilities. And, that in particular: 1. For the purpose of rationalizing the provision of community residential care services, the government should immediately designate responsibility to a single provincial ministry, either the Ministry of Community and Social Services, or the Ministry of Health, for the provision of administrative coordination of the existing and future community residential care services. 2. For the purpose of ensuring minimum standards of operation for community care residences the government should license and regulate all such facilities especially with regards to staffing, recreational and therapeutic programs, etc. Adequate inspection and enforcement procedures should also be developed to ensure compliance with the regulations and licensing requirements. 3. For the purpose of ensuring the appropriate provision of community care residences, the government should: (i) devise criteria to define the population in need of community residential care services; (ii) design the services needed to meet the requirements of this population; (iii) and, develop provincial funding mechanisms for program, capital and operating costs. 4. For the purpose of solving the problems that have occurred in attempting to locate community care residences, the government should introduce legislation to amend section 35(1) of the Planning Act so as to require municipalities to permit the establishment of licensed community care residences in reasonable proportions to the local populations. 5. For the purpose of ensuring close co-operation between the province and the municipalities, the government should form a community liaison section within the designated ministry to confer with communities regarding the location, size, and type of community residential care facilities in municipalities. 6. For the purpose of ensuring that adults with special personal care needs, living in boarding and lodging homes, receive the services they require, the government should encourage municipalities to: (i) consider the licensing of a special category of boarding and lodging homes which cater to such adults; (ii) and, to establish for that special category whatever additional personal care and physical facility municipal standards may be necessary. 7. For the purpose of promoting the operating of these special boarding and lodging homes by volunteer, non-profit and municipal agencies, the government should consider funding these agencies for the capital costs of providing such shelter. 8. For the purposes of improving standards of operation in those boarding and lodging homes within this special category, which are privately owned and operated, the government should consider providing funds for support services such as public health, social services, community police, and educational programs. 9. The government should consider devoting a greater portion of provincial funds to the development of a comprehensive body of community support services, including more appropriate support programs, for the physically, mentally, or emotionally handicapped or disadvantaged adults.

Mr. Young: Mr. Speaker, in speaking to this resolution, I want to remind us that during recent years, the word deinstitutionalization, a word with which I have some difficulty sometimes, has emerged to portray a popular concept in the treatment of the disadvantaged in our society.

There was a time, not too long ago, when we thought in terms of getting the people who offended against society in any way, hiked off into asylums, or prisons, or correction institutions, or psychiatric wards, or something like that.

Then we came to the conclusion, finally, that after all these people did have to come back into society at some point, unless we were prepared to maintain them there for the rest of their days. And that a re-entry into society might be rather difficult after being isolated for a long time.

So the dawning of the idea, that many of the individuals having problems in society, should not be shut away but rather should be treated in the community itself. And to do this, we realized that two things were needed. First, the deinstitutionalization of the incarcerated, to get them out of that situation; but secondly, the setting up of community services within which they could operate, and within which they should receive continued treatment for their problems, and under which they could be rehabilitated back into society.

Mr. Speaker, as far as one who is concerned, we haven't done so badly. For example, the population of some of our institutions, large psychiatric hospitals, for example, like Queen Street Mental Health Centre, were reduced by two thirds. The average stay of patients was significantly reduced, and the admission and discharge of psychiatric patients was made easier. Of course that also applied to our correctional institutions and other institutions of a similar nature.

One of the effects of these changes was a large increase in readmissions of patients, so that the result appeared to be a revolving-door policy, with some doubt expressed about the efficacy of the treatment provided. One of the reasons for this is that many of the severely and chronically disturbed people, the disadvantaged, were discharged into the community to eke out their lives in accommodation that was little more than shelter—boarding homes, rooming houses, nursing homes and group homes of doubtful quality.

Some were sent to group homes which were established in the community by agencies such as children's aid societies. These group homes were set up in cities like Toronto, with full supervision and program provision, although I understand the minister right now is having some difficulty, because of the miserly nature of the policies of the Treasury board towards his work, keeping peace within the children's aid societies and guaranteeing that their work in the future is going to be effective.

But there just aren't enough of these kinds of institutions for those people coming out of incarceration. In the absence of approved, supervised homes we are in a quandary. Many of these we have developed without effective control over standards and over programs of rehabilitation, recreation or occupational training. We have dumped these people out of the institutions, and then we left it to the profit-making sector of the economy to set up the kind of places where they can live and where, theoretically, they might be retrained.

We have said too often to an individual or to a company: "You go ahead and establish places where these people can go; you make a profit out of a social need; and we will hope for the best." That just isn't good enough. This process has had two bad effects: first, lowering the basic standards of care for many patients; and second, an increasingly hostile reaction from the communities where group homes and boarding homes are situated or proposed.

The resolution itself is rather verbose. We put a lot of words in there because we thought we had to explain to the minister pretty carefully just what was needed in this whole field; it looked as if he hasn't yet grasped the truth of the situation and hasn't yet acted as we thought he should be acting.

The first provision is that government should immediately designate responsibility to one ministry for the administrative co-ordination of community residential care services. The government would be providing a consistent framework for joint action in municipalities to deliver co-ordinated services. Instead of Health doing part of it and Community and Social Services another, we should have one minister designated to co-ordinate and to do the fundamentals of the job.

Second, the government must ensure minimum standards of operation for existing and future community-care residences by licensing and regulating all such facilities with regard to such matters as staffing, recreational and therapeutic programs, and so on. Also, it should be developing inspection and enforcement procedures to make sure this process is ongoing and efficient.

Third, all Ontarians with special care needs should be in residential-care facilities in or near their own communities. To ensure this, we suggest the government should devise criteria to define a target population in need of community residential care. That's number one. Number two is to design services to meet their requirements, and number three is to develop provincial funding mechanisms for program, capital and operating costs.

The present approach has resulted in unnecessary conflict at the municipal level. We've so often heard, when suggestions are made about treatment in certain areas of a community: "Group homes, yes; we believe in them. But not in my neighbourhood." That's because we have left it too often to the individual who decides he can buy this large home or that particular facility and he can then go to the local council and say to them, regardless of where it is and what the disruption may be in that community: "We want to change this into a group home of some sort." So you get the residents disturbed and upset about it.

First of all, we want to make this suggestion: that this government should show leadership in providing community care residences by amending section 35(1) of the Planning Act—that's on bylaws which may be passed by municipalities—so as to require municipalities to permit the establishment of licenced community care residences in reasonable proportion to the local population.

Zoning bylaws and very careful planning, particularly in developing areas of municipalities, can be used wisely to achieve this end.

Then, in order to step up co-operation between the province and the municipalities, we suggest the government should form a community liaison section within the designated ministry to confer with communities regarding location, size and type of community residential care facilities. Planning together we believe is the key to this whole situation.

It seems to me that when proposed subdivision plans come forward the minister designated should have a look at those plans to see where some opportunity might be afforded for this kind of facility.

One of the trends that has become particularly apparent in recent years, in Toronto particularly, is the tendency for traditional boarding and lodging homes near a psychiatric facility to become quasi group homes because of the clientele they serve. People move out of these institutions into the nearby so-called boarding houses. Presently, no more than municipal bylaws on housing standards apply to the regulation of this growing sector of unlicenced and unfunded housing.

Recognition by the government of the fact that these homes are a special category that is neither approved group home nor traditional boarding nor lodging houses for low-income, single people, should encourage municipalities to license this special category of homes and to establish additional standards for personal care and physical facilities.

In addition, the government should consider assistance with the capital cost of providing accommodation in the special boarding and lodging homes. Then, in order to upgrade the services of privately owned and operated homes in this special category, the provincial government should consider providing funds for support services, such as public health, social services, community police, and educational programs. Without these, disadvantaged adults will find themselves no better off than they were in an institution, where at least they had the security of an acceptable level of care.

Finally, the government should devote a greater portion of provincial funds to the development of a comprehensive body of community support services, including more appropriate support programs for the physically, mentally or emotionally handicapped. A patient should not be discharged from a provincially funded institution into a community that does not have a network of services to meet his or her special care needs.

I don't mean we should get back to the old idea, but we should go forward with the suggestions that are being made in this resolution. Rates of recidivism in psychiatric hospitals alone are a sorry testimony to the shortsightedness and the financial blindness of this brand of deinstitutionalization.

Cutting back on the institutional emphasis means more than pushing people out of treatment beds in institutions into custodial beds in rooming houses and leaving the private sector to cope with the problem.

Rehabilitating disadvantaged adults in the community would surely be a more economic and effective program than institutional care; dollars and sense must be invested in the provision of community-based services.

[4:45]

The provision of adequate, acceptable aftercare to disadvantaged adults across Ontario is the responsibility of the provincial government. This government must squarely shoulder its responsibility through an appropriate legislative framework, funding mechanism and through active co-operation with municipalities.

Don't let the minister say we can't afford this kind of program. A province which can afford the kind of subsidization of international corporations we have seen in recent days; a province that is willing to put other things before the human needs of our society must look again at its responsibility in funding this kind of work.

This resolution is a call to action for the provincial government to demonstrate its commitment to the reintegration of Ontarians with living problems in their own communities.

Hon. Mrs. Birch: Mr. Speaker, I would like to begin by expressing my thanks to the member for Yorkview for the interest he has shown on the issue of community care. It's an area of concern that we share.

This government, of course, is committed to community care and has demonstrated this commitment for nearly 10 years. Any differences that the member and I may have on this issue are not on the concept itself but on the approach that should be taken.

I intend to talk to the specific points addressed by the member, but first I would like to note that the resolution refers to two types of community residences, those we call group homes and those commonly known as boarding and lodging homes.

Essentially, the difference is that group homes are licensed or approved by the prov-

ince according to standards set by the province. Boarding and lodging homes are not licenced at the present time, but we do intend to encourage municipalities to assume greater responsibility in this area.

The member for Yorkview suggests that a single ministry be responsible for the administrative co-ordination of all community residential care services. There are some difficulties with this. It would not be practical because there are more than 10 programs within three different ministries which have residential components.

Each of these programs includes a defined population, defined services and a funding mechanism. On the whole, there are good and valid reasons for those differences and we do strive hard to correct the inequities.

Mr. McClellan: You haven't done anything since.

Hon. Mrs. Birch: This government agreed with, and supports the principle of, co-ordination. My secretariat has been designated as the lead ministry for group homes, and a provincial co-ordinator has been named.

As you know, the Children's Services Act has brought together the operation of children's services under one piece of legislation for licensing purposes. A central registry of all group homes is now maintained in the children's services division.

The regulations under this new act will provide municipalities with sufficient assurance of statutory, provincial control over the standards and operation of not only group homes but other children's residences.

It is true that we don't have the same standards for adult provincial homes in place yet, but they are being developed or improved based on the models set for children's services. I have viewed this as our bargain with the municipality. If they agree to provide care within group home settings for their own people, in their own community, then our part of this bargain is to make sure that certain standards are met and maintained.

We cannot agree with the suggestion that we introduce legislation to amend the Planning Act so that communities will be forced into accepting group homes. It is not our desire to mandate in this way. The philosophy and the intent of this government is to achieve our objectives through co-operation with municipalities.

I might say, though, that I am disappointed when municipalities do not accept what I perceive to be their responsibility to their fellow citizens who particularly need care in a home-like setting of a group home.

Mr. McClellan: It's a human rights issue. It's not a municipal autonomy issue.

Hon. Mrs. Birch: Let's face it, a group home in a hostile community is not likely to succeed. Thus, the thrust of our group home policy will continue to be one of encouraging municipalities to make appropriate amendments to their official plans and zoning by-laws to permit group homes in all residential neighbourhoods.

Our provincial co-ordinator and representatives from other ministries have been attending meetings with municipalities and are available to provide information and assistance in considering this issue. Proposed planning guidelines have been distributed to all municipalities for comment, which set out the type of references which can be made to group homes in the official plan.

To deal with the member's last point, support services are readily available in the community to all boarding and lodging homes.

Mr. McClellan: Have you read the adult residential facilities report?

An hon. member: How could you say that?

Hon. Mrs. Birch: Perhaps we could do more to encourage links between these services and those who would benefit by them.

Mr. McClellan: It's not true.

Hon. Mrs. Birch: We are expanding these programs, particularly for the physically, the mentally and the emotionally handicapped. If time permits, my colleagues, the Minister of Health and the Minister of Community and Social Services, will elaborate on their ministries' programs.

Mr. Blundy: I would like to compliment the member for Yorkview for having brought forth this resolution today. The resolution really does try to address a great many of the abuses that we are finding in the larger cities in Ontario, as well as, to a lesser extent of course, in the smaller cities of Ontario.

All one has to do is go and visit one of these so-called boarding homes to see exactly what the situation is. They are really not a place where one could say that rehabilitation is taking place. It's deinstitutionalized, but deinstitutionalized for the worse. It really can't be called a home surrounding, like being able to rehabilitate oneself in one's home. It can't be called that. It is what I would call a very bad form of institutionalization.

As the Provincial Secretary for Social Development (Mrs. Birch) has pointed out, the resolution is dealing with two different facilities—the group homes and the boarding houses and lodging houses.

I believe the group homes that we are finding in our communities now are a very great help to what we have had in the past.

It's chiefly because of community people getting involved and doing something for their community, because the ministry has not done something ahead of that. They are filling a gap.

I believe that these group homes should be licensed and supervised very carefully; not that the local people who are working in the community are not responsible and want to make these acceptable places for emotionally, physically or mentally disadvantaged adults. They do, and they are in many instances very creditable places. But there are others that are not that way.

I want to reserve most of my remarks for the boarding and lodging homes we find in the city. Right here in the Metro Toronto area are the absolute worst examples of boarding houses catering very largely to people who are discharged from psychiatric institutions who want to live in the community in which they had formerly lived, close by the institution to which they must return from time to time, I presume, for re-examination or reassessment and/or possibly further treatment.

These homes are pathetic places. They are usually owned by an absentee landlord. The operators sort of look on supervision as being there a few hours during the day, but there is no control of the activities of the residents. These residents do need some kind of control.

In the report done on the adult residential facilities, boarding homes and lodging homes, there are some really very shocking writeups. One paragraph from this report says:

"On-site investigation of the handling of medication by both operators and boarders confirms that existing practices have a deleterious effect on the health and well being of the occupants."

Listen to this, Mr. Speaker:

"Drugs are frequently left out in the open, easily accessible and not always in their original containers, therefore, unidentifiable. Where refrigeration is required, it is not always provided. In most cases it is not. In addition, some operators have devised their own, often potentially hazardous systems of administering drugs.

"Medication records are rarely maintained for people in boarding houses, easy access to a variety of psychotherapeutic medication makes possible for the sharing, trading and even the selling of legally obtained drugs."

The system for handling these people has altered very greatly. As a layman, I believe bringing these people out of institutions where previously they stayed for year upon year is a good idea. We must get them out into the community where they can live with their fellows in the community and live to a standard. I don't expect them to be living luxuriously, but I do expect they would be able to live in a clean, properly run, and above all a properly supervised, lodging house or boarding house.

The Provincial Secretary for Social Development said she and her ministry didn't want to require a municipality to license such homes and so forth. I believe there is a requirement that these homes be licensed and supervised.

Hon. Mrs. Birch: No, I didn't, say that. I said we were going to encourage them.

Mr. Blundy: She is going to encourage them. I think it is going to take more than encouragement, Mr. Speaker. I believe these homes must be licensed and they must be supervised. There has been no degree of response to the encouragement that has been made to do this.

[5:00]

I believe, Mr. Speaker, that the Ministry of Health and the Ministry of Community and Social Services, both being involved in these kinds of institutions throughout the province, have things in such—well a very difficult way to understand. People don't understand which ministry is responsible or should be responsible.

I really am very taken with the suggestion of this resolution of the member for Yorkview that one ministry be designated. This would certainly take away a great deal of the indecision in knowing who is responsible for what. I believe that this resolution placed by the member for Yorkview has a great deal of merit.

I believe that the people of our municipalities want to have some very clearly laid down guidelines for the establishment of these homes and for the licensing of them. I fully support the resolution put forth by the member and ask this House to give it every consideration.

Mr. R. F. Johnston: It is a great pleasure to hear the Liberal members supporting this motion coming from the member for Yorkview, and with a great deal of work done on it by the member for Parkdale I should say, and a great deal of thought and support from ourselves as caucus members in presenting this.

What it speaks to is a total failure in planning in the area of social planning and health planning in this province and a lack of commitment in real dollar terms to a continuum of care. The money is there; if the will was there, we'd have it.

Having gone through Lakeshore Psychiatric Hospital's closing, I can only say that the lack of planning in that instance, which fits very directly into the particular problem that this resolution is addressed to, was shown time and time again.

There are two items I want to talk about. One is accessibility of group homes in particular. The other is the need for a rehabilitative element and programming in boarding houses. Those are the two crucial things in my mind in this resolution.

Difficulty of accessibility goes two ways: Either you have no provision in particular communities and therefore people from those communities who have had difficulties and need group home assistance aren't able to get that within their own community and they get isolated off somewhere else, or, in other areas, you get swamped with them because of zoning differences and permissibility and you get back wards in the community; that's all they become. Parkdale is a perfect case of that.

All you have to do is look at a map of Toronto in terms of the amount of assisted housing and where that assisted housing is and you see that it breaks down on very peculiar kinds of grounds, on arbitrary grounds. It is not in wealthy areas. It's not in areas, for instance in terms of group homes, like my own area of Scarborough. That's a very sad thing to me as someone from Scarborough, as I am sure it is to the minister.

On the other hand you have Parkdale and the Annex area, which are just swamped with group homes and boarding houses of various kinds. The unwillingness to say to a government like the Scarborough government of my own community, or whether it's York or Etobicoke or other communities in this province, that they must have group homes is a basic failure on the part of this government. It is not a matter of zoning rights primarily, it's a matter of human rights, very basic human rights, that those people have a right to that kind of care in their community.

This public relations approach, as it's been called in terms of stroking, I'm not sure what part of the municipal anatomy, in order to get results, has not gotten results. I'll just refer back to the response to the 1978 interministerial working group on group homes by the social planning council here. It says: "We are already seeing the results of the public relations approach which the province has taken to this social policy issue. The borough of Scarborough has decided that they will allow only group homes for the retarded. Perhaps residents of the borough are immune to the other problems for which group homes are appropriate. North York apparently produces no criminals and no addicts.

"It is clear that the social policy favouring institutionalization is being undermined by municipal prejudice against group homes. It is also clear that a public relations approach to encouraging municipalities to permit group homes within their boundaries is having only marginal results. We have municipalities very much inclined to pick and choose which kinds of disfunctioning are the least desirable. It appears the province is placing a higher value on allowing municipalities to exercise their prejudices than on promoting equity among municipalities, ensuring that all meet their obligations towards Ontarians with problems." And I think that's the crux of it.

Yesterday in the Health estimates we had our last shot at the Lakeshore closing. That sad record will reflect on this government for years in my view. Tabled with us was a letter from the Canadian Mental Health Association to the Minister of Health. I would just like to quote from page two:

"Although alternative housing programs have been identified as a pressing need in Etobicoke and North York, no project submissions were received and no funding has been allocated for this purpose. This would appear to be a reflection of restrictive municipal zoning practices. Your government lost the unique opportunity to encourage the municipalities of North York and Etobicoke to adopt the model bylaw proposed by the Honourable Margaret Birch."

This, at a time, when an institution, Queen Street, is going to be overloaded; when the pressure to get people out into the community faster, is going to be heavier on that hospital, and the likelihood of a high readmission rate almost inevitable.

I will move onto the second side of things. Almost none of the boarding houses or group homes in that area provide, in their location, extensive rehabilitative services. You end up with people dumped into a lonely existence. This is something that has been going on for years and yet it's a continuing thing. Here is Montage, a publication of the Clarke Institute of Psychiatry:

"For too many patients, life in the community means an isolated existence with little or no attention paid to housing, vocational, social, recreational or medical therapeutic needs." And in that editorial by Dr. Wasylenki, who presented a wonderful indictment, in my view, of the lack of programming in the community at the hearings on Lakeshore's closing, he says that one of the major problems is the lack of creative thought in

government, in terms of handling this particular problem.

Why has there been no change in government policy in terms of redefining boarding homes? In terms of understanding, a number of those boarding homes can have very specific rehabilitative programs within them as part of their mandate. Why has there been no move in that direction?

The revolving door syndrome, about which Mr. Dukszta spoke a great deal in the hearings, will continue. The high rate of recidivism will continue because too many of the people who come out of institutions have no care given to them. They are not in a controlled situation.

The example of drug abuse was mentioned by the member for Sarnia; there is a lack of control of drugs, lack of refrigeration, lack of distribution control to psychiatric patients and to the elderly.

We all know about the problems of overprescribing for the elderly. And there is no control of that. There's an ample opportunity for boarding homes in Toronto to make that part of their mandate. You will notice, if you ever get around to reading this report on adult residential facilities by Toronto, that they recommend, a number of times, this kind of enforcement. They need this kind of identification. They refer to the work done in British Columbia on recidivism and I think you should pay very close attention to that. There has been an experiment in BC over the last few years to provide rehabilitative services within the boarding house itself. And they have reduced dramatically, almost by half, if you read those statistics, the number of people who returned to the hospital; the ones who were regularly back at the mental-health institution. I think it's something you should be looking at directly. This resolution speaks to it directly.

I would just like to read a few comments because it is a Toronto instance, from Parkdale, from one of the aldermen from that area, Barbara Adams:

"While we have an inventory of the 36 or so licensed group homes in South Parkdale, we do not have adequate information on the approximately 300 boarding- and lodging-house properties in the same 30-block area.

"I estimate that 150 to 200 of these are illegal bachelorette conversions, that perhaps 50 are regular boarding and lodging houses serving a variety of single people, and that 50 to 100 are boarding and lodging houses serving particular special-needs persons; for example, ex-psychiatric patients, chronic geriatric cases and old-age pensioners."

That is the group they have been looking at and identifying.

What we are saying, I think, in this resolution is that those 50 she identifies as having a very specific kind of population and residents are homes that should be redefined and that should be given a further mandate in terms of rehabilitative programming. That is what this asks the government to do. It also asks that the government take the bit between its teeth and say that group homes must be available in every community around this province.

I think it is an important resolution. I hope that when the Minister of Community and Social Services rises he will not just speak to it in terms of the intent or the understanding of providing community care, of which we are all in favour, but will look at it very seriously as an approach, and a very worthwhile approach, to solving some of the gaps that presently exist in the community care system.

Hon. Mr. Norton: Mr. Speaker, I would like to join the previous speakers in thanking the member for Yorkview and in recognizing his commitment to community care and what has been set out in this resolution.

As my colleague the Provincial Secretary for Social Development has indicated, the government for some time has supported a policy and has been embarked upon a policy of assisting individuals in provincial institutions to be reintegrated into the life of their community, and it has encouraged the development of support services in the community to assist them. This emphasis, I believe, is shown clearly by the increased numbers of people now living in communities who formerly were in institutions, or who would have been if support services had not been available.

The government is continuing to develop community support services. It is our position that if support services are needed, whether in the home or through an outside program, they should be available. They are not necessary for every individual in society, but they should be available through community-based resources which are readily accessible to those who need them.

This comprehensive approach ensures that services are available across the community, wherever an individual may be living. It does not tie services to a particular location or type of residence, and it avoids segregating the handicapped or creating a ghetto of individuals needing special services.

The commitment to the development of community-based resources is clearly in-

dicated by the continuing expansion of support services for elderly persons, for the handicapped and the mentally retarded in our communities. For example, this year we have made a further $2 million available for the support projects to elderly people, to provide meal programs, home-maintenance and housekeeping services, among other services. We are reviewing the legislation at the present time to see if any changes are necessary to facilitate the provision of further support services.

The commitment to provide a range of support services in the community for individuals leaving provincial institutions is also shown in the continuing development of services for the mentally retarded. Protective-service workers, who provide individual help to mentally-retarded people in the community now reach some 5,000 people in communities across this province. When we began this program in 1974, fewer than 100 people received those services and during the same period we have more than doubled the number of work shops and life-skills programs to help retarded people in their own communities. Nearly 8,000 persons are now receiving training and employment assistance through these programs.

We are also developing a number of projects to help physically-handicapped people to live and to work in the community. The program is also being expanded further this year to more Ontario communities. The government's commitment to assisting handicapped people in their communities is also shown by the fact that income support is provided to some 77,000 individuals with a handicap of either a temporary or permanent nature. This commitment represents nearly 43 per cent of individuals and families receiving benefits under the family benefits and general welfare assistance programs.

[5:15]

The services I just mentioned don't describe the full range of community support available through the Ministry of Social Services. They are an indication though, of this government's continuing commitment to helping handicapped people live and work in a community setting.

Reintegration of people from institutions into the community has also meant an increased use of local boarding and lodging houses by those individuals who do not require a group-home setting. In recent years, this has put additional stress on this type of residence and has indicated the need for closer local regulation.

It is the position of the Ministry of Community and Social Services that adequate standards of health, fire and safety be applied to boarding and lodging homes, the same way they are applied to provincially-licensed group homes. The individual living in this type of residence should have the assurance that adequate standards are established for his or her protection regardless of his or her mental or physical ability.

As my colleague, the Provincial Secretary for Social Development, has indicated, licensing of this type of community residence is outside the purview of the provincial government at the present time. When an individual is capable of living independently in a boarding home or hostel, local government has a responsibility to regulate the residence in which that person lives. A number of municipalities have developed and are developing ways and means to regulate boarding homes to ensure that adequate standards are being met. I can cite examples of communities across this province which have adequate local bylaws with respect to boarding homes and enforce them.

Therefore, we are encouraging municipalities to regulate, license, and set standards for boarding homes in their jurisidictions. This approach recognizes and reinforces the traditional role and capability of municipalities to respond to local needs and conditions in the most appropriate manner.

We're also considering the development of a compendium of general principles and standards to assist municipalities in developing their own standards and in educating their community. My colleague, the Minister of Intergovernmental Affairs (Mr. Wells), has indicated he is willing to propose and introduce legislative changes if necessary to further strengthen the role of municipalities in this regard.

In the absence of my colleague, the Minister of Health, I would like to make some very brief comments that I'm sure he would make if he were here.

I'd like to outline the psychiatric hospital discharge policies, since these do impact upon the community and particularly give rise to some of the concern expressed in this resolution. The question of discharging a patient from a psychiatric facility naturally divides into two questions: Is the individual sufficiently recovered to be discharged? And if so, what is the most suitable type of accommodation for that individual?

The first question is answered by a medical decision made by an attending physician with

advice from nurses and social workers. The second answer involves an assessment of the patient's follow-up needs and the available accommodation. If the patient cannot be returned to his or her family, the hospital's accommodation profile is consulted to determine home standards, personnel, location, and so on. The patient usually visits the accommodation to determine if it's suitable before the discharge is finalized. After discharge, follow-up visits are made by a social worker or public health nurse or other professional.

Mr. McClellan: He doesn't have the nerve to read it himself.

Hon. Mr. Norton: In cases where there is doubt about a patient's ability to live on his or her own in a community, the patient would be referred to an approved residential home or a probationary home. If after six months the patient shows that he or she can live successfully in a residential setting they are then officially discharged from the hospital. Otherwise, they will return to the psychiatric hospital for further treatment.

Mr. Speaker, we recognize the important role the hospital's discharge policy plays in a patient's successful re-entry into a community and we feel it's appropriate to review this policy in the very near future. But I should point out however, that despite the care taken in assisting discharged patients to find suitable living quarters in the community, they are under no obligation to accept that help. We can have the best discharge system in the world, but we cannot force people to use it.

In fact, I am advised that at Queen Street Mental Health Centre approximately one half of the patients discharged who have no family to return to still refuse our assistance in finding suitable accommodation. I would point out that from a civil rights point of view, it is our belief that they are perfectly within their rights to refuse that assistance. I believe that is a right that any citizen ought to be free to exercise.

Mr. McClellan: That's not the answer and you know it.

Hon. Mr. Norton: I would like to say to the honourable members that we agree and can support the broad policy represented by this resolution. In fact, I would go so far as to say that I view the resolution, in general terms, to be very supportive of the program this government has been embarked upon for several years. But I would caution members that in this particular resolution there are some specific substantive provisions, in terms of the direction and implementation of this, that will make it very difficult for us, if not impossible, to support it.

Mr. Stong: Mr. Speaker, I rise to give my personal, unqualified support to the resolution before this House today. I also know, from speaking to my colleagues, that I represent their interest. The member for Windsor-Walkerville (Mr. B. Newman), particularly, wanted to speak on this issue. He indicates he has trouble in the Windsor area and would have made certain representations on this bill; likewise, the member for Kitchener-Wilmot (Mr. Sweeney) wanted to speak on this resolution.

Hon. Mr. Norton: Why aren't they here, then?

Mr. Stong: The resolution reflects the personal dedication of its author, the member for Yorkview, and I congratulate him for that. It also demonstrates a long-lacking leadership in this area in the striking and setting of priorities; the priorities of the government, the priorities of those of us who serve the people. If it were not for the people, we would not have government. Yet, for too long, people issues have been left on the back burner. This particular resolution represents leadership in that particular area.

It is always difficult talking about people issues because they are so general and do not lend themselves to particularity. This resolution being as long as it is, I could probably use the entire time allocated to me just by reading the resolution. However, there is a specific aspect of it I would like to zero in on.

The resolution calls for the government to introduce legislation to amend section 35(1) of the Planning Act, "so as to require municipalities to permit the establishment of licensed community-care residences." It also calls for close co-operation between the province and the municipalities in the formation of a community liaison section within, what the resolution calls "the designated ministry" to administer this resolution.

It seems to me, with respect to group homes, accepting of the less fortunate and accepting the needy within our communities, society as a whole has to be educated, and educated quickly and soundly.

Hon. Mr. Norton: And every one of us in this Legislature has the responsibility to stand up and argue.

Mr. Stong: One of the difficulties we have is that the government and the administration in charge now has failed in educating the people. I know we can all point to specific problems in our own riding where acceptance, particularly of members of society who are less fortunate than others and who can

still contribute to society, is left lacking. I can think of two specific but different problems in my own riding and in the riding north of mine.

In my riding we are fortunate to have an institution called Daybreak. Daybreak administers to and looks after the less fortunate, the mildly mentally retarded, those who are quite capable of contributing to society in a very productive and responsible way.

I have spoken in this House on this issue before. I have related to this House that in my 1975 campaign for election and again in 1977 I was fortunate enough to have in my campaign headquarters members from Daybreak who gave me assistance in running the daily operation. The jobs they had were menial, but they were nonetheless important. They were dedicated individuals and fulfilled a much-needed function. I was grateful for their assistance.

That is how I first became aware in a personal way of the actual contribution people such as the mildly mentally retarded can make to our community. I think the government ought to embark upon what this resolution calls for, namely an educational program. I'm not sure amending section 35 of the Planning Act will accomplish what it is intended to accomplish because it is very difficult to legislate brains into people. We cannot legislate morality; we cannot legislate common sense into people.

But it seems to me, we could use some of the vehicles already in existence. For instance, not many months ago we attended the Association of Municipalities of Ontario convention. All of the elected municipal officials and municipal bodies had representatives at that convention. It was a perfect vehicle for education, for contact, for communication to sell this type of program to people who have to deal with the problem on a one-to-one basis in their communities.

It's unfortunate the establishment of group homes and halfway houses was not on the agenda. It would have been beneficial to aquaint the people at that particular convention, perhaps in a very rudimentary way, with some of the thinking the minister has just spoken about.

I congratulate the minister for the thrust the government has taken since 1974. It has been long overdue. But it is not aggressive enough. However, one of the problems we have is the problem of education.

It arises in the establishment of group homes in our communities for young juveniles who may be offenders and who have no place to go. Certain individuals in our communities do not want to accept such homes because they are afraid of the negative influence on themselves and their families.

It is incumbent upon this government and the ministry responsible to become more involved with group homes and establishments such as Daybreak to sell these concepts to the rest of the community. They are only too willing to attend any convention, such as AMO. They're only too willing to travel with and among the ministries and the other communities to educate people and make them aware of what they have to offer, to convince people that those who are less fortunate than us can make a contribution to society. So long as we are prepared to accept that contribution, this resolution and any program the government has to offer would certainly be very beneficial.

I support this resolution with that in mind. I congratulate its author and I urge the government to accept it.

[5:30]

Mr. McClellan: I want to thank my colleagues in the Liberal Party, in particular, for their expressions of support. I also want to bring to the attention of the House the work that the member for Parkdale carried out on this resolution. He has had to leave for London very suddenly because of his father's serious illness. He wanted to be here for this debate, but unfortunately, he is not able to be with us.

The resolution is of major importance. It deals with two questions, in a general way. One is the proper responsibility of the government of Ontario for providing standards, services and programs for vulnerable, and particularly, needy people in our communities. The second is a very fundamental human rights issue, the issue of municipal zoning. I want to try to deal with both of these issues.

We have a problem, in 1979, because the government has moved into a program of deinstitutionalization without accepting the responsibilities involved in a modern deinstitutionalization program. In fact, the government defines its responsibility, and the limits of its responsibility, from experiences of the past when governments and our society dealt with psychiatric patients by institutionalizing them. We kept them in institutions. We didn't discharge them. Similarly, elderly people in poverty were involuntarily placed in institutions and kept in institutions for the rest of their lives.

Now we have moved into something called deinstitutionalization and we are moving with a great deal of rapidity with respect to emptying institutions. But the government has failed to accept its responsibility; firstly, with

respect to its psychiatric patients and, secondly, with respect to the elderly.

Let me point out something in contrast. The government has accepted a responsibility with respect to deinstitutionalization for the mentally retarded, so we have a fundamental difference of approach on the part of the Ontario government when we look at what it's doing for the developmentally handicapped, as compared to what it's not doing for ex-psychiatric patients or for elderly people. There's a profound difference.

On the one hand, for the developmentally handicapped it has accepted the responsibility for passing legislation, establishing programs, funding programs and establishing, at the local community level, co-ordinating mechanisms. We have a very elaborate network of support services to enable the mentally retarded to move from institutions back into the community.

I may criticize the government on details of the administration of the program with respect to the mentally retarded, but I support the program wholeheartedly, because it is on the right track. Just as it was on the wrong track when we looked at what it is failing to do for ex-mental health patients, or for the elderly.

We had a report from the city of Toronto that's been referred to a couple of times this afternoon. The minister indicated that he hasn't yet had a chance to read the report. It deals with the tragic and shocking plight of two of the most vulnerable sectors of population in our society, ex-mental health patients and the elderly, who are forced to live in slums through circumstances resulting from the failure of this government to accept its proper responsibilities for deinstitutionalization.

These two sectors are living in disgusting, degrading slums in the south end of Parkdale, the south end of Etobicoke in the ward seven area, adjacent to downtown inner-city hospitals and psychiatric hospitals. The report documents explicity the plight of these people in these boarding homes. From page seven of the report, the elderly and ex-psychiatric patients don't have cleanliness; they don't have privacy; they don't have personal or physical safety. The places are crowded. There are complaints about theft of personal possessions. There are complaints about physical abuse. The food, as described in this report from the corporation of Metropolitan Toronto, is in some cases bread and butter sandwiches without the butter.

On page eight of the report is documented the kind of inadequate supervision of very dependent elderly people, many over 75 years of age and many ex-psychiatric patients. On page nine of the report are detailed problems that both the elderly and ex-psychiatric patients are having with respect to medication. That was referred to a few minutes ago in the debate with respect to non-compliance with prescriptions and, secondly, the practice of sharing, trading and selling legally obtained drugs within these boarding homes.

On page 10 of the report is a discussion about the total lack of rehabilitative programs within these slums to which the elderly and mental-health patients are forced of necessity to find their way because of the failure of government to provide an adequate network of support services. Some operators in the Parkdale area even refuse to allow residents access to their boarding houses during the daytime.

On page 10 is a quote I want to read into the record: "Most boarding homes offer little in the way of activation; rather, they provide custodial care. The transfer of custody from institutional settings to the boarding houses of Metropolitan Toronto is no more conducive to rehabilitation or therapy than the poorhouses of the 19th century."

We have moved full circle from poorhouses to deinstitutionalization to poorhouses. There's no difference between one of these slums in Parkdale and the old House of Industry in Toronto. They both abuse people. They both victimize people. They both exploit people. They both humiliate and degrade human dignity.

There is a responsibility of government to assume the functions of licensing and standard-setting and, most important, funding an orderly, co-ordinated network of community support services. But the ministry spokespeople at all levels keep saying that we're doing very well. If we look at the record, it's not so evident.

The ratio of psychiatric inpatients in institutions to residents in halfway houses and co-operative homes in Ontario was 25 to one in 1977. The national average is 23 to one, and the national average in this country is nothing to crow about. I point out that in Saskatchewan the ratio between psychiatric patients in institutions and psychiatric patients in community facilities is eight to one. We have a long way to go before the kind of nonsense that the Minister of Community and Social Services was talking about with respect to hospital discharge policy has any meaning at all.

Let me turn to the second issue I wanted to deal with, the human rights issue, that has to do with section 35(1) of the Planning Act. Even in areas where the government has

accepted its responsibility as, for example, with respect to the developmentally handicapped, the program is being systematically sabotaged and torpedoed by the intransigent violation of basic human rights on the part of many municipalities.

As a Toronto member, I take enormous pride in the fact that the city of Toronto has passed what really is a model bylaw for any other municipality in this province, but the city of Toronto is virtually unique in having done this. Most other municipalities have simply stonewalled and have refused.

What are the consequences? Even in areas where the government has accepted its responsibility for the provision of services, as for the developmentally handicapped—and remember the group homes that were promised for Etobicoke for the mentally retarded—

Mr. Speaker: The honourable member's time has expired.

Mr. McClellan: —they haven't been brought into play because of this basic human rights issue.

No municipality has the right to tell people they can't live in their own community. The minister has to show some leadership. He can't wait any longer.

Hon. Mr. Timbrell: Mr. Speaker, in the few remaining minutes for this debate I would like to offer a few comments. I believe my colleagues, the Provincial Secretary for Social Development and the Minister of Community and Social Services, have already described for the House and for the record the programs available through the government to assist with those people who are in need of continuing care or supervision. In fact this is a matter which we discussed yesterday, not at great length, during the final hours of consideration of the estimates for my ministry. This includes the homes-for-special-care program and the approved-homes program.

I was pleased to have the opportunity a week ago, with my old and good friend Alderman Cressy in the city, to take a tour of a number of boarding homes in the west end of Toronto. This tour was not announced to any of the residents of those homes or the owners and staff. It was based on a list of boarding homes which had been prepared by some of the staff at Queen Street Mental Health Centre. At the direction of Alderman Cressy and myself, it was a list of some of the boarding homes they considered to be very good and some which they considered to be poor, so we saw a representative sampling of the boarding homes in that area.

I have to say the kind of description the honourable member opposite makes of them all categorically being slums really is not representative. I have to say I approached the tour expecting a lot worse than I saw.

Mr. McClellan: I just hope none of your family ever has to live in them, or none of my family.

Hon. Mr. Timbrell: Excuse me. I listened to you. There is only a short period of time. I don't know why the member always wants to cut people off and deny them the right to speak.

Mr. McClellan: If you have something to say.

Mr. Warner: Continue the apology for failure.

Mr. Speaker: Every member has a right to be heard.

Hon. Mr. Timbrell: I think it is quite unreasonable to try to suggest, as I think comes out in any discussion on the subject, that if a person has been discharged from a psychiatric facility—whether it is a large provincial facility like Queen Street Mental Health Centre or a community facility like Etobicoke General, or wherever—somehow they should, in effect, continue to be institutionalized by keeping them on some kind of a roster, in effect keeping them under supervision.

Mr. McClellan: You distorted everything.

Hon. Mr. Timbrell: I draw a distinction between a person who is in need of continuing care—and I do not for a moment deny we have a responsibility to the homes-for-special-care program and the approved-home program—or within the psychiatric facility.

Mr. McClellan: What a great example.

Hon. Mr. Timbrell: But once a person is discharged, they are as free to come and go as you or I, Mr. Speaker. The responsibility for standards in private homes are clearly those of the municipality which were recognized years ago in the provisions of the Public Health Act and of the Municipal Act. We certainly encourage municipalities to exercise their full authority in that area.

I couldn't agree more with the member for Bellwoods when he lauds the city of Toronto for having taken its responsibilities seriously in providing for boarding homes and group homes. I agree with him completely that the suburban municipalities do have a responsibility in this area which they should exercise. Every one of us on this side who is a suburban member is do-

ing everything possible to impress on our municipalities that they have to do their share for their residents who, from time to time have the misfortune to fall ill or require some form of housing other than their own private home or institutional care.

[5:45]

We recognize in my ministry that 15 years after the homes-for-special-care program has begun and evolved, there is a need to review the backup services and program associated with people who have been judged by physicians to be in need of some form of continuing care. Otherwise, they wouldn't be in a home for special care. They would have been given absolute discharge. That, we are doing.

Mr. McClellan: What about all the retarded people?

Hon. Mr. Timbrell: I invite the members of the House to make the kind of tour I did; not with the press, not with fanfare, not with hoopla. If a list is needed, I'll get it for the members from the same people who provided the list for Alderman Cressy and myself.

Mr. McClellan: I have a list; I don't need the minister's help.

Hon. Mr. Timbrell: And go and find out what the honourable member is talking about.

Mr. McClellan: Don't be such a pompous, arrogant, self-satisfying, complacent—

Hon. Mr. Timbrell: Go to the boarding home that he would call a slum on Darling Avenue where the lady has birthday cakes in the freezer so she has them on hand for every resident's birthday. Now that's not a slum. I saw some pretty bad boarding homes.

Mr. R. F. Johnston: You saw four boarding homes.

Hon. Mr. Timbrell: That's really not quite accurate. If he will go and look at them, it's not accurate to describe them all as slums.

There is no question that some of them need—

Mr. McClellan: No need to provide programs for the people.

Hon. Mr. Timbrell: —some supervision in terms of physical standards—

Mr. Speaker: I must interrupt to remind the House that the sponsor of this resolution still has six minutes. Does he want to use any part of that?

Hon. Mr. Timbrell: Mr. Speaker, I'll be very brief and just suggest to the member that he take that kind of tour. There's no question there is room for improvement in many of them; it can be done under the Public Health and Municipal Acts. Don't reinstitutionalize people that the doctors have determined are well enough to be in the community with him and me.

Mr. McClellan: The minister's weasel words are not going to disguise the reality.

Mr. Cooke: I'll be very brief. I want to begin by saying after being here for two and a half years and listening to the Minister of Health, his ability to distort the facts of what is going on never amazes me.

Mr. McClellan: Right on.

Mr. Warner: Right on.

Mr. Cooke: I'd like to point out to the minister that this problem does not just exist in Metro Toronto.

Hon. Mr. Timbrell: Mr. Speaker, on a point of privilege.

Mr. Cooke: There is no point of privilege, sit down.

Mr. Rotenberg: You guys get up all the time on no points, why do you criticize him?

Hon. Mr. Timbrell: Mr. Speaker, on a point of privilege. I think the member is trying to assign to me certain intentions which are certainly not the case. I would ask that he withdraw that remark.

Mr. Cooke: If I may continue, Mr. Speaker. I want the minister to be aware that this problem does not just exist in Metro Toronto, it exists in other communities all across this province.

In my home community of Windsor, we have a number of rest and lodging homes this province does not regulate. Yes, the municipality of Windsor has taken the opportunity to pass a bylaw, but I am sure the minister is aware of the types of bylaws passed by municipalities. They basically just talk about square footage, fire regulations and so forth. They do nothing, nothing at all, to provide for recreation programs and proper therapy for these people once they come into the community.

What we have in rest homes in the city of Windsor—

Hon. Mr. Timbrell: You are assuming they need care.

Mr. Cooke: Is he saying they don't need care?

Hon. Mrs. Birch: You're a big brother.

Hon. Mr. Timbrell: That's what the member is doing. He is reinstitutionalizing them.

Mr. Warner: And he'd make sure they had nothing. He is satisfied with nothing.

Mr. Cooke: Maybe the Minister of Health should go visit a rest and lodging home

anyplace in this province. Why, I told him the other day in estimates, to come down to the city of Windsor. I'll introduce him to some of the residents and some of the owners of the rest and lodging homes who are also begging for regulation so they can institute the proper programs. They want the poor rest homes to be put out of business so the good ones are not given the same kind of reputation that the poor ones are given.

In the social planning council for the city of Windsor, they just recently came up with recommendations that again were supported by the rest and lodging home owners which called for recreation and therapy programs.

Let me just give a couple of examples to the Minister of Health of what happens in our present rest and lodging homes.

In the last couple of years in Windsor, at one particular lodge we've had two deaths. One was a mentally retarded woman who wandered out on the ice floe in the Detroit River and froze to death. If he thinks that person can function in the community with absolutely no supervision through his great deinstitutionalization idea, then he should be proud of that, because he is partly responsible. Another death was of an individual who had an emotional problem and committed suicide. There was no rehabilitation program going on at all.

Mr. R. F. Johnston: No need for care.

Mr. Cooke: When I was a social worker at the children's aid society, I was involved with a family. The woman involved suffered from schizophrenia and she had been admitted to the Metropolitan psychiatric ward. There was some improvement noticed. She was then immediately discharged to the community, put in a rest home, and within a matter of weeks she was back into Metropolitan Hospital because there was absolutely no outpatient program provided for her at all.

If the minister thinks that's the type of program that should be provided in the community, I think he's dead wrong. We haven't had the proper programs in place and I think if they weren't looking at the system maybe through fog, they would see what really is happening out there.

One other point is that the public housing in this province completely excludes any people, single people, who are not senior citizens.

Mr. Speaker: The honourable member's time has expired.

Mr. Cooke: Thirty seconds more and I will be finished, Mr. Speaker. There is a case that came in to my constituency office, of a woman who was 32 years old and suffering from an emotional illness, depression, psychotic. She had been in the psychiatric hospital on several occasions and was released to private housing and had absolutely no public housing and no—

Mr. Speaker: Order.

ALL ONTARIO PITCH-IN DAY ACT

Mr. Speaker: The member for Haldimand-Norfolk has moved second reading of Bill 134.

Motion agreed to.

Mr. Speaker: Shall it be ordered for third reading?

Hon. Mr. Parrott: I think, Mr. Speaker, in the discussion on the bill, it was agreed by the proposer that an amendment to section 1 would be made and it was on that commitment which was made—

Mr. Speaker: Which committee would the honourable member like it directed to?

Ordered for committee of the whole House.

COMMUNITY RESIDENTIAL CARE SERVICES

The following members having objected by rising, a vote was not taken on resolution 25:

Belanger; Bernier; Birch; Brunelle; Cureatz; Drea; Eaton; Elgie; Gregory; Henderson; Hodgson; Johnson, J.; Kennedy; Lane; Leluk; Maeck; McCaffrey; McCague; McNeil; Newman, W.; Norton; Parrott; Ramsay; Rotenberg; Rowe; Snow; Sterling; Taylor, G.; Timbrell; Villeneuve; Walker; Watson; Welch; Wells; Williams; Yakabuski—36.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, pursuant to standing order 13, I wish to indicate to the House the business for tomorrow and next week.

Tomorrow we will be in committee of supply to consider the estimates of the Management Board of Cabinet. On Monday, October 22, we will be in committee of supply for consideration of the estimates of the Minister of Intergovernmental Affairs.

On Tuesday, October 23, we will consider legislation in the afternoon and evening, beginning with Bill 86, second reading and committee stage; followed by Bill 144, second reading and committee; and then an Act to amend certain Acts respecting Regional Municipalities. This bill will be introduced tomorrow morning and will take the place of Bill 114, which is on the Order Paper. Then on Tuesday we will consider that bill for second reading in committee stage, if time

permits. If any time is still available on Tuesday evening, we will move to the budget debate.

On Wednesday, October 24, the justice, general government and resources development committees may meet in the morning. On Thursday, October 25, in the afternoon it will again be private members' public business. The first item will be ballot item 29, standing in the name of the member for Rainy River (Mr. T. P. Reid), to be followed by ballot item 30, standing in the name of the member for Sudbury (Mr. Germa).

In the evening of next Thursday we will have a debate on sessional paper 128, resuming the adjourned debate on the motion for adoption of the report of the standing social development committee, dated June 21, 1979. This is the report respecting hospital beds.

On Friday, October 26, the committee of supply will consider the estimates of the Ministry of Intergovernmental Affairs, if required, and then the estimates of the Management Board of Cabinet.

The House recessed at 6 p.m.

CONTENTS

Thursday, October 18, 1979

Point of privilege re Attorney General: Mr. Stong 3581

Land registration, statement by Mr. Drea 3581

Fiftieth anniversary, statement by Mr. Elgie 3581

Gas and oil prices, questions of Mr. Davis: Mr. Breithaupt, Mr. Cassidy, Mr. Conway 3582

Hydro rates, question of Mr. Davis: Mr. Breithaupt 3585

Gas and oil prices, questions of Mr. Davis: Mr. Cassidy, Mr. Peterson 3585

deHavilland Aircraft Company, questions of Mr. Davis: Mr. Cassidy, Mr. Cunningham, Mr. di Santo 3587

Niagara children's services dispute, questions of Mr. Norton: Mr. Bradley, Mr. McClellan 3589

Hydro rates, questions of Mr. Davis: Ms. Gigantes, Mr. J. Reed 3590

Domtar Limited, question of Mr. Davis: Mr. Riddell 3591

Public housing, questions of Mr. Bennett: Mr. R. F. Johnston 3591

Income property questionnaire, question of Mr. Maeck: Mr. Kennedy 3592

Chemicals in school yards, questions of Mr. Parrott: Mr. Cunningham, Mr. M. Davidson 3592

Iron ore supplies, questions of Mr. Davis: Mr. Martel 3593

Employment of illegal immigrants, questions of Mr. McMurtry: Mr. Roy 3594

Point of privilege re assault case, Mr. Stong 3594

Report, standing resources development committee, Mr. Villeneuve 3595

Report, standing social development committee, Mr. Gaunt 3595

Motion re select committee on Hydro affairs, Mr. Wells, agreed to 3595

Motion re Estimates, Mr. Wells, agreed to 3595

Municipal Franchises Amendment Act, Mr. Wells, first reading 3595

Local Improvement Amendment Act, Mr. Wells, first reading 3595

Certification of Titles Act, Mr. Drea, first reading 3596

Land Titles Amendment Act, Mr. Drea, first reading 3596

Registry Amendment Act, Mr. Drea, first reading 3596

Education Amendment Act, Mr. Martel, first reading 3596

Private members' public business on second reading of Bill 134, All Ontario Pitch-In Day Act: Mr. G. I. Miller, Ms. Bryden, Mr. Cureatz, Mr. B. Newman, Mr. M. Davidson, Mr. Eakins, Mr. Parrott, Mr. Van Horne 3596

On Resolution 25, Community Residential Care Services: Mr. Young, Mrs. Birch, Mr. Blundy, Mr. R. F. Johnston, Mr. Norton, Mr. Stong, Mr. McClellan, Mr. Timbrell, Mr. Cooke 3607

Second reading, Bill 134 3620

Business of the House, Mr. Wells 3620

Recess 3621

SPEAKERS IN THIS ISSUE

Bennett, Hon. C.; Minister of Housing (Ottawa South PC)
Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Blundy, P. (Sarnia L)
Bolan, M. (Nipissing L)
Bounsall, E. J. (Windsor-Sandwich NDP)
Bradley, J. (St. Catharines L)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Cureatz, S. (Durham East PC)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
di Santo, O. (Downsview NDP)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J. (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Foulds, J. F. (Port Arthur NDP)
Gigantes, E. (Carleton East NDP)
Johnston, R. F. (Scarborough West NDP)
Kennedy, R. D. (Mississauga South PC)
Laughren, F. (Nickel Belt NDP)
MacDonald, D. C. (York South NDP)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
Makarchuk, M. (Brantford NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, G. I. (Haldimand-Norfolk L)
Newman, B. (Windsor-Walkerville L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Reed, J. (Halton-Burlington L)
Riddell, J. K. (Huron-Middlesex L)
Rotenberg D. (Wilson Heights PC)
Roy, A. J. (Ottawa East L)
Ruston, R. F. (Essex North L)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Van Horne, R. (London North L)
Warner, D. (Scarborough-Ellesmere NDP)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Young, F. (Yorkview NDP)



No. 86

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, October 18, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

LOCAL SERVICES BOARDS ACT

Hon. Mr. Bernier moved second reading of Bill 122, An Act to provide for the Establishment of Local Services Boards.

Hon. Mr. Bernier: I rise on second reading of Bill 122, the Local Services Boards Act. Since it was tabled last June, this bill has been distributed across northern Ontario, and I am pleased to report it has been very favourably received. No doubt this welcome reflects the widespread discussion of the local services boards idea early last spring, when my staff held meetings in over 30 small communities prior to drafting the legislation.

When I originally tabled the bill, I knew that it marked an important step for residents of unorganized communities in northern Ontario. I would also stress that it is an important initiative for the provincial government. This legislation offers the option of a formal legal status to communities that are too small or too isolated to become municipalities and which enjoy a level of basic services that most of us in the larger centres or in the south have to take for granted.

Tonight I intend to introduce one minor amendment, if possible, the effect of which is to ensure that the present provincial land tax collection is undisturbed where a local service board chooses to piggyback on the provincial land tax as a way of raising local revenues.

As members are aware, there are three key features to this bill. First, it addresses basic service needs. Residents of the unorganized north have emphasized that their local needs are simple yet fundamental to security and the quality of life—fire protection, water supplies, sewage disposal, street lighting, garbage collecting and recreation. This legislation would permit the residents and property owners of a northern community to initiate the establishment of a corporate board with powers to provide these services on its own or by contract and to recover some of the costs.

A word on the need for recreation. Many communities have indicated that recreation is a high priority. We expect that some of them wish to enter new areas such as the provision of television and radio entertainment to their local residents. We are prepared to consider such an undertaking by a local services board, subject, of course, to the usual licensing requirements of the CRTC.

Mr. Wildman: Does that include satellite?

Hon. Mr. Bernier: Yes, certainly. If they can get the proper licensing from the federal authorities there's no problem.

This bill does not contain provisions for regulatory powers such as planning, licensing, or policing, nor for responsibilities in social and health fields. Nonetheless, we feel that local services boards can and should serve in advisory and consultative capacities with various ministries and agencies of government. On matters such as planning and development and on local health care, there may well be a role for the board as a representative or contact point for the community.

Local roads will continue to be the responsibility of a local roads board or the statute labour board. This system has been in place for a considerable number of years. It is working well and there seems to be little reason for disturbing it. The boundaries of local services boards would, not in any case, be the same since the emphasis here is on a smaller community and its needs.

The second key aspect of the bill is that it's permissive legislation, which means it merely puts a mechanism in place. The community will still have to decide whether opting for a services board is to its advantage. Strengthening the self-help spirit that already prevails in many communities and encouraging local initiative is the main objective of this bill.

Third, this is not a proposal from municipal government. A local services board is intended to be a much simpler organizational and funding vehicle. A community that chooses this right will still be unorganized in the legal sense.

In my view, this bill responds to the unique and varied circumstances of unorganized communities. It was developed over many months in consultation with the Unorganized Communities Association of Northern Ontario and with indivdual residents of unorganized communities. In essence, the

people who will be affected by this legislation helped to design it.

The local services board is a simple and straightforward arrangement that provides considerable local choice. A community can decide whether to opt in, which of the services it wishes to provide, how it will provide them, and the method of covering the local share of the cost. To preserve this flexibility, various details on operational matters will be handled through ministerial order and ministerial guidelines; the actual legislation will deal only with the basic policy principles. This is a pragmatic approach and one that can be reviewed in a year or two when we have had some practical experience with local services boards.

One matter not discussed is conflict of interest. This is a conscientious exclusion which recognizes the fact that in small communities—

Mr. Swart: Unconscientious.

Hon. Mr. Bernier: I think the local people can decide that; that's just what I'm going to say here in a minute.

It recognizes the fact that in many small communities where a local services board might be established the people most likely to serve as board members will be the people who have taken the initiative in business and in volunteer activities in that community. It is almost inevitable that a board will meet its needs by buying services from local businesses. As well, in a company community a board may be contracting with a company for certain services even though the board members themselves are employees of that company.

In light of the small scale operation of the board and the intended close participation of the community in its decision-making, it seems unreasonable to impose a need for judicial approval, or the approval of some other body or the ministry over the decision of the board.

For now, we have chosen to let the board deal with the conflicts under its own procedural bylaw, and only in exceptional circumstances where a board is not handling its affairs properly—and I hope there won't be any—the board can be dissolved and a new election held. Of course, if this procedure is not working, a more formal method can be determined.

I might remind you that the boards are subject to annual audit. Ultimately, though, the people of the community will provide the most effective control process.

Under the proposal, local services boards will be able to raise revenues locally in several ways: community events such as dances, socials, user fees for service or a levy under the provincial land tax assessment. They will also have access to a variety of existing government programs, including the Isolated Communities Assistance Fund of the Ministry of Northern Affairs. In addition, local services boards will be eligible for an operating subsidy calculated on a one-for-one matching grant on moneys raised locally for the board's ongoing purposes.

I would emphasize that there will be no provincial contribution without a matching local share. For now, windfall donations—such as bequests—volunteer labour and gifts of materials, will not be considered eligible for a matching grant, although these contributions will, of course, continue to be important to a board's activities.

Judging whether these funding arrangements are adequate will be easier once we have some working local services boards to study. As yet, we can only guess how many communities will opt for local services boards and what levels of service they will want to provide.

To conclude, Mr. Speaker, I would like to thank the Unorganized Communities Association of Northern Ontario. We have the directors from the northeast and the northwest in the gallery this evening: Jerry Violette from Gogama and Kathy Davis from Hurkett. As I said in my early remarks, they were part of the process in pulling this legislation this far; it was their input.

I think I can say it was following Bill 102 several years ago that the unorganized communities association really came into being. They rallied together, and this was the first time the unorganized communities had a voice in the northeast and northwest. That organization has stayed together and, as I said, it helped us to draft this piece of legislation that is before you this evening. They have been generous with their help in developing the local services board concept and in designing this legislation.

We know the bill does not provide a solution to all the problems; but I am confident it puts in place a workable mechanism for addressing some important quality-of-life issues in the unorganized areas of northern Ontario.

Mr. Bolan: Mr. Speaker, I suppose that although this bill is entitled Bill 122, the real name of it should be "the illegitimate son of Bill 102." The minister may remember Bill 102. That was the bill this government tried to introduce back in 1974. It fell flat on its face primarily because the government

of the day then, which is the same as the government of the day today, went about its business without consulting the people of northern Ontario.

In 1974, the government did not consult the people of northern Ontario when that infamous Bill 102 was introduced, and as a result it died on the Order Paper, as well it should have done. As a result of that rather nefarious attempt to impose some form of local government on the people of northern Ontario, particularly in the unorganized communities, it is the people of northern Ontario themselves who decided to take the matter into their own hands and to go around northern Ontario to obtain ideas from the people of northern Ontario as to just what is required.

Over the past while I have spoken out, both in this House and in northern Ontario, on how insensitive this government is today, and over the past 10 years, towards some of the basic needs of the people of northern Ontario, particularly in unorganized communities. I have been doing this not with a view to obtaining any kind of sympathy for the people of the north, because they don't want sympathy at all, but rather to try to instil in the government of the day some sense of decency and responsibility.

[8:15]

Obviously, I've failed. I've failed because with the introduction of Bill 122 in its present form, in spite of all the good input which was given to the government of the day, the government has demonstrated once again that it intends to pursue the same type of haphazard policy towards northern Ontario.

I think it's fair to say that over the past much has been said about the problems of northern Ontario, and I certainly have no intention of repeating all of them. However, I do think that one can look at what should be the objectives of governmental policy in northern Ontario, particularly as this applies to unorganized communities.

The first objective is that the level of alienation between northern Ontario and southern Ontario must be reduced. I think the minister himself is aware there is a sense of alienation in northern Ontario. In fact, I read an article written by a Globe and Mail reporter some month and a half or two months ago which depicted the member for Kenora, (Mr. Bernier), standing beside a pot of boiling caribou if I'm not mistaken and saying things to the effect that we really don't have too much for these people down there and they don't understand us. This may be right.

Mr. Nixon: Is our minister saying that? He would never win in Rosedale.

Mr. Bolan: The minister should be aware that the Deibel separatist movement, under the guise of the Heritage Party, may be seen by some as—

Mr. Wildman: A Tory front.

Mr. Bolan: —some ludicrous group of fanatics; the member mentioned that.

Mr. Nixon: It sounds right so far.

Mr. Bolan: Does he know that not too long ago, in at least two of the newspapers, which alluded to a present cabinet minister possibly joining forces with Mr. Deibel?

Hon. Mr. Bernier: Is that the best you can come up with?

Mr. Bolan: Surely it is outrageous for the member for Cochrane South (Mr. Pope), who is a Minister without Portfolio, to even think for one moment of joining a separatist party?

Mr. Wildman: Do you mean the member for Treaty 9?

Mr. Bolan: Is that what it is? On that point, for the interest of the House, I raise what appeared in the newspaper at that time. It goes something like this: "There appears to be a communication problem between Alan Pope and Ed Deibel of the Northern Ontario Heritage Party. Deibel quotes Pope: 'He likes the policy of the Heritage Party and was considering their offer to cross the floor of the Legislature.'

"Pope told him about three weeks ago that he had not forgotten the offer to join the party made two years ago, but wanted to see if he could bring about changes to help northern Ontario from within the cabinet.

"Pope said on Friday, October 5: 'No, I never told him that. Do you know any cabinet minister who has been able to change policy in three or four months?'

"The Heritage Party is advocating more secondary industry for northern Ontario. Pope said: 'I do not know how any politician in northern Ontario in his right mind can disagree with that, but on specifics there is disagreement and I just want to have a say where it counts.' "

Basically, what it appears to be is that this alienation, which is manifest in the creation of this new party in northern Ontario, has some support from a cabinet minister of this government, a person who is privy to confidential information and material which goes on in cabinet. I hope that is wrong.

Hon. Mr. Bernier: He just denied it.

Mr. Bolan: Does the minister know what he denied? He denied having said it takes more than three months to change cabinet. That's basically what he denied. He did not deny the conversation, just the three month period.

Mr. Nixon: Did you get into the cabinet because you polished apples or raised the devil? Which did you do?

Mr. Bolan: In any event, as I indicated, it may seem like a ludicrous group of fanatics, however, it does point to substantial inequities that exist in the north.

Without getting into it, I think it's only incumbent upon me to refer the House to an excellent discussion on this very point in a paper written by Donald Scott in Donald MacDonald's book, The Politics of Ontario. I think if everybody would take time to read it they might find it quite edifying.

In any event, that's one of the objectives which we, as members of the Legislature, owe towards the people of northern Ontario. All of this, of course we have to bear in mind, is also aimed predominantly at that vast land in northern Ontario in which the unorganized communities are situated.

Other objectives which we should look at are to increase the economic base, increase the level of service, increase the access and efficiency of governments throughout the area, improve and increase housing and reduce the cut-migration of the young, skilled and capable from the area.

These should be the minimum of our objectives.

The question now is this: How do these objectives of policy, and the problems that precede them, reflect on the municipal and community structure?

Basically, in northern Ontario, there are a few reasonably large municipalities, some medium-sized ones and a host of smaller ones. In addition to the organized municipalities, over 80 per cent of the area consists of unorganized territory. However, less than 10 per cent of the population live in the unorganized territory, frequently in clustered developments either close to a large or medium-sized municipality or many miles in the bush.

The unorganized territory really boils down to two sets of problems; those problems represented by the hamlets, and those problems represented by the largely scattered agricultural, logging or mining developments presently or previously in operation.

The hamlet problem can be adequately solved by designing a fairly tight area to an elected group which essentially has the ability to contract for its needs as it deems appropriate, and its financial base essentially to be a handing over of the land tax by the provincial government, plus an enlargement of grants.

In northeastern Ontario, communities such as Gogama, Foleyet and the area north of the Sault, would not really benefit from this legislation as they really need a more powerful form of general government, a form of government that can set priorities and allocate moneys in response to these priorities. What is needed in these areas instead of a local services board, which would not be large enough to service, is something along the lines of an improvement district. Populations in these areas are anywhere from 600 to 800 people, and a local services board would not have that type of mechanism needed to bring equal and good government to that type of area.

What about the real problem, that is the dispersed areas? In dispersed areas such as Argyle—perhaps the minister does not know where Argyle is?

Mr. Nixon: I don't know where Argyle is.

Mr. Eakins: It's in Victoria county.

Mr. Bolan: Argyle is an unorganized community in the district of Parry Sound. This is going to lead me to a question later as to whether Parry Sound is in northern Ontario.

Mr. Wildman: That's very hazy.

Mr. Bolan: The minister may recall that when we went through the estimates, back in May or June, I read to him a description of the southerly boundary of northern Ontario as given to me by his ministry. It specifically excluded what is known as Parry Sound. Have there been any changes? Is there anything which has happened, over the past few months, which would finally bring Parry Sound rightfully into the vast domain of northern Ontario?

In any event, in dispersed areas like Argyle, where there is a community but no hamlets, it is obviously too much government for them. There simply is not enough manpower to go around.

What the minister has at this time is essentially a document put together by his government which is too small for the problems of the hamlets, and which provides an additional layer of complexity for the dispersed areas. Once again, really, his government has not thought through the problems in the north and provided a reasonable recourse.

If the government is, shall we say misguided enough to pursue this single-minded

response to the problems of the unorganized communities of northern Ontario, it might at least have had the decency to do it well. It didn't do this. I suggest to the minister that what he and his fellow ministers should have done was to consider the following.

They should, in spite of what his cabinet colleague in the Ministry of Transportation and Communications (Mr. Snow) says, include the roads boards; and for several reasons. They have experience; they know about these things and they have the manpower. One of the things that one runs into in some of these dispersed areas is that there simply is not enough time or talent or manpower to staff this plethora of government agencies in the unorganized areas.

The reason the roads boards have not been included, of course, is that they work very well. The government doesn't want to clutter them up with anything else. I think this has been made adequately clear by some of the ministry officials to whom I have spoken about this. Also, it's a known fact that the Ministry of Transportation and Communications does not want to have the roads boards, which work very well, cluttered up with the Ministry of Northern Affairs. What they complain of right now is that they're cluttered up enough with the Ministry of Northern Affairs without having more added to it.

That is one step which the minister should take, he should include the local roads boards under this legislation. He should simplify, and make fair, the taxation system for unorganized communities. If this bit of poor judgement—

Mr. Nixon: I wouldn't mind if he did it for organized communities, too.

Mr. Bolan: —were to go to the average home, the householder would pay separately, this: the education tax, one bill; the local roads board tax, another bill; the land tax piggybacked with the local service board tax—bang, that's what they're going to get.

What you should do, just to simplify it, for that poor taxpayer, is to piggyback them all on the land tax bill, so that when the householder gets the bill, he sees "Land tax: so many dollars. Education tax: so many dollars. Local service board: so many dollars." He can see there what he has to pay.

I'm quite certain that if the Minister of Revenue can accommodate your ministry, for the piggybacking of the local service board tax, it is also adequately equipped to put onto the land tax bill, the education tax as well as the roads tax.

[8:30]

The other thing the minister might want to consider is limitation of the spending of the local services boards. This should be done not according to some policy the ministry may create and vary from day to day, but it should be clearly set out; for example, it should state that no more than a certain percentage of the equalization assessment, let's say seven or eight per cent.

The people in these unorganized communities are entitled to see exactly what they are facing. If they see they can't go above seven or eight per cent of the equalization assessment and they know that, rather than be turned down by the Ministry of Northern Affairs, or rather than be in the very delicate position of being required to cater to the Ministry of Northern Affairs—I don't think anybody should be required to do that—there should be some limit of spending which is statutory and it should not be left to the whimsical demands of some policy-maker in the ministry. It should be written in law so that everybody can see.

The bill itself certainly presents some questions. What about the unorganized townships which are not in northern Ontario? Are they going to be covered by the bill? I don't know; there is no indication they are. Perhaps between now and the time we get into clause-by-clause the minister will have some kind of answer. Are they going to be served by the bill?

I am told there are three unorganized townships in the district of Muskoka, in the Kearney area. Clearly the minister has not included Muskoka, at least for licence-plate purposes, in northern Ontario yet.

Mr. Kerrio: We should have a minister for southern Ontario.

Mr. Bolan: We can have a minister for Muskoka. Perhaps you might want to look at that.

Hon. Mr. Bernier: I think that is a good idea.

Mr. Bolan: In other words, I want some assurance from the minister and from the government that all unorganized townships, be they in or out of northern Ontario, regardless of how he defines northern Ontario, are to be included and serviced according to this bill.

In preparing the people to accept this concept of local services boards it appears the minister has misled the people. It appears his government misled the people in the unorganized communities to whom he tried to sell the concept of the bill.

In the paper which came out, at page six, he was quite explicit. The basic proposal was

that Northern Affairs would match locally-raised revenues on a dollar-for-dollar basis within agreed guidelines. That was very specific. The idea of government people going out and explaining proposed legislation to the public is one fine thing. It should be done that way more often. Had this been done a long time ago perhaps much more would be in place. I agree with the way that was handled. I think it is sound. They sold this bill on the basis of one-for-one.

I attended two meetings, my assistant attended three. At all meetings this was drummed into the heads of the people: "Don't worry about it. You put in a dollar, the government will put in a dollar."

Again when he introduced the bill in the House on June 7, at the bottom of page 11; "Under the local services boards proposal, the province through the Ministry of Northern Affairs will also assist communities with the operating and maintenance expenses of their activities on a $1-to-$1 basis." That is one definitely clear ministerial statement, and another one which comes out from this ministry in the form of a white paper or whatever you want to call it.

Then we get the bill. Let's examine the one-for-one in the bill and see where it is. Payment section is under section 24. I want to read this into the record. I want all of the province of Ontario to see how the government, this ministry, deceived the people of unorganized communities in northern Ontario into thinking that for every dollar they raised and for every dollar they put up the minister himself, or the government of Ontario, was going to provide equal funding. I want to read the funding section.

"The minister shall pay"—obligatory—"The minister shall pay to the board . . . such amounts as he considers appropriate."

Now under what rule of law, be it in existence now or be it contemplated by him, does he consider something appropriate? What ministerial guidance does he obtain in order to arrive at what is appropriate? Nowhere does it say in this section that he is going to give one-for-one funding. Rather, what you propose to do—

Mr. Foulds: Try paragraph two.

Mr. Bolan: Well if the honourable member doesn't understand sub two then perhaps his colleague behind him will explain it to him.

Then the minister comes out with a policy statement and he says: "Oh well, don't worry boys, we're going to take care of you, we're great people. For every dollar that you raise we'll give you a dollar too."

Why doesn't he incorporate his policy into law, why doesn't he do that? Because if that is the clear intention of the government of the day, to provide one-for-one funding, then why don't they say so? Instead, he leaves it up to some minister, whether it be the Minister of Northern Affairs today or the Minister without Portfolio (Mr. Pope) tomorrow.

Mr. Wildman: Heaven forbid.

Mr. Bolan: Leaving it up to some minister—

Mr. Swart: Either one.

Mr. Bolan: —to decide what is appropriate.

Mr. Foulds: Leo will still be minister when both you and Alan are members of the Ontario heritage fund.

Mr. Bolan: He'll be minister of something. Has Ed called the honourable member yet?

In any event, I think that is very inappropriate.

Mr. Wildman: That's enough pontificating tonight.

Mr. Bolan: The minister has an opportunity in this House tonight, or sometime in the very near future, of testing his courage. He would be a very courageous minister if he were to get out—I'm sorry, if he were to get up; he'd be more courageous if he was to get out. However, he would be extremely courageous if he was to get up in this House and say: "This is the way it is going to be. It's going to be one-for-one; and it's going to be one dollar to equal the aggregate sum of moneys raised; either through bake sales or whatever, or through setting a tax rate for a certain service."

Mr. Foulds: Twenty cents; and it will help get him enshrined in legislation.

Mr. Bolan: But why doesn't the minister put into legislation what he preaches?

Hon. Mr. Bernier: I'm working on it, my word is good.

Mr. Bolan: I would be the last one to suggest—

Mr. Foulds: I can hear, but he doesn't hear what he has been saying.

Mr. Bolan: —to suggest for one moment that this is pork-barrel legislation, I would never say that.

Mr. Foulds: Good, good.

Mr. Bolan: But what we must consider is not what is there but how it appears; and this has all of the appearance, and all of the semblance, of pork-barrel legislation. I am not saying that was the intention of the government, I would never say that.

Mr. Nixon: Very hard to support it.

Hon. Mr. Bernier: I love that statement.

Mr. Bolan: But I am saying to the minister that is the appearance it has.

Hon. Mr. Bernier: I'll remember that statement next year.

Mr. Bolan: It has the appearance of pork-barrel legislation. In order to clear himself, and in order to get rid of this cloak which hovers over him—this innuendo, the shadow—all he has to do is stand up and say, "Yes, we shall incorporate it in the act. It will be one for one."

Mr. Wildman: Come on, we all repent.

Mr. Bolan: I have introduced an amendment—which is clearly out of order, I know that it is out of order—but I have introduced it because I want the people in this House, and I want the people of Ontario to know there is an alternative to what the minister proposes, and that if he were really sincere, if he were really sincere in trying to help out the unorganized communities, then he is going to phrase his legislation in such a way so that everybody who creates, or every community which creates a local services board, knows exactly what they are going to get if they raise so many dollars.

With the greatest respect to what his intentions may be—and his intentions are honourable, of course they are—but with the greatest respect to his honourable intentions, it still must be made plain to the people exactly what they are facing. This way they don't know what they are facing.

And then if the minister wants to get into subsection 2 of that section, that is even worse. What it says is this: "The minister may pay"—may. Again according to how he sees things.

Surely that is not the intention of this supposedly great government of Ontario, certainly that is not the intention at all; to introduce this kind of legislation for all of the province of Ontario to see and to point the finger at the government and to say, "What's going on here?"

Can the minister name me any other act passed by this House which has ministerial discretion and ministerial power like that? Where a minister actually has the power to go to every unorganized community in the province of Ontario and say to them, "Look, I don't like what you are doing. You are only going to get 50 cents on the dollar"; or to go to the other one—we won't mention what party he may belong to—or to go to the other one and to say, "Buddy, you are doing a great job. Here is $1.50 per dollar"?

Surely that is not fair and that is not reasonable, and certainly it is something which should not be expected to come from this government.

Mr. Kerrio: They do that in South America.

Mr. Bolan: Because this government prides itself on the fact that it treats all of the people of Ontario, equally.

Mr. Mancini: Not true.

Mr. Bolan: I am saying to the minister right now, that unless he amends that section to make it mandatory to pay equal funding, and unless it is very clear and explicit for everybody to see, the perception which is left in the people's minds, the perception which is left in the minds of the people of the unorganized communities, is that they don't know where they stand.

There is enough ministerial discretion right now and here to do just about whatever the minister wants to do. Just look at section 4. Again, "Where the minister receives the recommendations made under section 3, the minister may, by order . . ." He may, by order. What does he take into consideration then? There is no right of appeal or anything like that.

The minister is like a feudal baron, really. For a person to have all of this power—he really is like one of these feudal barons who has power to tax and power to distribute the money as he sees fit. It doesn't matter to whom, he is the one who will determine the priorities, and who has the power to determine whether or not a particular board should be entitled to form some form of government for its people.

I say that the powers the minister has under this act are wide enough without really usurping it any further by the wording which he has in section 24. What I propose in my amendment—and I will be the first to admit I know that it is out of order, because I know we are dealing with the money issue, but why not two-for-one?

Mr. Mancini: Too much money.

Mr. Bolan: Oh, come on. The roads boys have it two-for-one. What's wrong? The government is trying to help out the people of northern Ontario, so why doesn't it give them something significant? Or, more significant, deduct from its land tax what they collect for the local services board operation. Give them a bonus. Make them want government, and make it work.

[8:45]

In any event, I feel that if the minister really wants to bring credit to this bill he should amend section 24 for the reasons I have outlined. I reserve the right to intro-

duce whatever other amendments may seem fit at some later date.

Mr. Nixon: Hear, hear; a tremendous contribution to this debate.

Mr. Wildman: Mr. Speaker, I rise to participate in this debate on Bill 122, in support of the legislation in principle on second reading. This is especially so since the ministry has, as my friend from Nipissing mentioned, travelled across the north along with the UCANO and met with representatives of people living in the unorganized communities, right in their own communities. It has discussed the proposed legislation with them and UCANO participated directly in the early drafting of the legislation.

However, I want to point out that there are a number of things in the bill, as it's presented here, which I don't think really took into account some of the objections raised at the meetings that were held. Hopefully, during the committee stage of this bill we'll be able to deal with some of the proposals made by various people during those meetings, who will be able to respond to them to make the bill more responsive to the concerns raised—many of them really housekeeping, not major changes—in the bill.

Although I want to congratulate UCANO West, UCANO East and the representatives this evening for the work in the preparation of this bill, I want to point out and emphasize that one of the main reasons that we have to support this bill is that it's something we've been advocating for a long time. Obviously it's needed. Something was needed in the unorganized areas.

We have a tremendous number of people who live across northern Ontario in areas that have no organization. They have no official structure. As the minister knows, and I hope other members of this House understand—even those from southern Ontario—without any kind of official structure these communities were unable to apply for and accept most types of assistance from the provincial and federal levels of government, simply because there was no responsibility or accountability. If the provincial government were to make a grant to a community for a specific purpose, first off it is questionable as to whom it should be given and how that group could be held accountable for its use.

So, without some kind of mechanism to give representation to the people in a community and to ensure accountability it was impossible for many of those people living in unorganized communities to obtain the funds needed to provide basic services which are really taken for granted in the rest of this province—for that matter even taken for granted in the organized communities of northern Ontario in many cases. Those of us here from the north know that even in the organized communities we often do not have the kinds of services and facilities available in many of the organized communities of the south.

It would be difficult for us in this caucus to oppose this legislation in principle. Really the introduction of this bill is a tribute to the work of UCANO and to the NDP caucus.

Mr. Bolan: Did you invent the helicopter too?

Mr. Foulds: The minister's a late convert.

Mr. Wildman: Both of these organizations have been raising the problems of the unorganized communities—

Mr. Foulds: Especially the Speaker of the House.

Mr. Wildman: I was going to get to that.

We have talked about the lack of services for many, many years. One just has to look at the list at the end of the bill, the schedule on page 11, to understand the kinds of basic services that are lacking in the unorganized communities in northern Ontario and to appreciate the necessity of this kind of legislation.

Look at water supply, fire protection, Mr. Speaker—they're really basic services which most people in the province take for granted. We have situations in northern Ontario, as the minister knows full well, where the Ministry of Natural Resources has been responsible for fire protection and has done as good a job as they can do. They have worked very hard trying to respond to the calls of the people when there are structural fires. But as the minister knows, they are not really equipped to handle structural fires; their equipment and training is aimed at fighting forest fires.

I'll get into fire protection and what the ministry has been doing in a few moments. There are other things, such as garbage collection, and sewage which relates in many cases to the provision of adequate water supply, recreation and so on, even things as ordinary as street lighting which, in some unorganized areas where you have urban development, is really necessary.

The members of this caucus have been raising these issues in the House for many years, going back to way before the introduction of Bill 102, as mentioned by my colleague, and the efforts by UCANO to

come up with the workable compromise we see here today.

Mr. Bolan: You know, Leo, this is the 15th attempt. It goes back to 1882. Yes, Sir Oliver Mowat.

Mr. Wildman: Is the minister going to be made Sir?

Mr. Kerrio: Governor?

Mr. Wildman: Perhaps he'll be given a title like "governor of the north."

At any rate, most of the services I have listed are basic hard services. Our caucus has been involved with these in a very important and significant way for some time. One just has to look at that great proponent of the needs of the unorganized communities who, though diminutive in stature, speaks so loudly, forcefully and with such clarity of the needs of communities such as Shining Tree and Gogama.

Who ever heard of Shining Tree before the present member for Nickel Belt (Mr. Laughren) was elected to this Legislature? Who ever heard of it down here? For that matter, how often were the water problems of the community of Gogama, which Mr. Violette knows very well, raised in this Legislature before the present member for Nickel Belt began advocating that the government take concerted action to resolve those problems?

Why weren't the water problems in Gogama rectified by this government without the hard work and anguish suffered by that member in trying to get this moribund and unfeeling government to move?

Mr. Swart: Good work.

Mr. Wildman: Why did it take the herculean efforts he had to bring forward to force the government to move? Can the minister tell me that?

Mr. Bolan: That's better. Good line.

Mr. Eakins: You say it with conviction.

Mr. Bolan: Once more with feeling.

Mr. Wildman: I've never been convicted.

Mr. Bolan: That'll make great reading.

Mr. Wildman: Quite seriously, the thing that really bothers me is what happened in response to the request for assistance made by the member for Nickel Belt. All this government did was erect a monument to the former Minister of the Environment, now also the former Minister of Agriculture and Food—

Mr. Bolan: Oh, Bill.

Mr. Wildman: —in the town of Gogama. Sometimes I've been given to understand that monument is actually a statue in the likeness of the member for Durham-York (Mr. W. Newman) I don't really think that's the case, but you know what I'm talking about, Mr. Speaker. I'm talking about the communal tap. Why is it that, in 1979 in Ontario, all we can do for a community with serious water pollution problems is to provide a communal tap?

Mr. Bolan: Turn it off.

Mr. Wildman: The real question arises as to whether or not this bill will resolve those kinds of problems. At least it will make the community eligible for the Ministry of the Environment's new 75 per cent-25 per cent program for upgrading private communal water and sewer systems or private wells and septic systems. In that sense, this is a step forward.

I suppose the bill will also make possible the building and operation of recreation facilities such as meeting halls, hockey rinks and other sports facilities that have really been fought for for so long by that well known sportsman, that Rocket Richard of the Legislature. I suppose if the member for Sudbury East (Mr. Martel) is the Rocket, that makes the member for Nickel Belt the Pocket Rocket. It will make them eligible for the Wintario and recreation centre grants.

Mr. Mancini: I don't know if Rocket Richard would like that.

Mr. Bolan: Did you check that out with Rocket Richard?

Mr. Wildman: I spoke in Dubreuilville once with the Pocket Rocket. That's not an unorganized community so it really doesn't fit into this debate. We did participate with the Pocket Rocket in the opening of a community centre there, and he had heard of the member for Sudbury East.

Mr. Bolan: That's really good. I'm glad to hear it.

Mr. Foulds: Richard said it was okay; Martel had his doubts.

Mr. Wildman: As I said, it will make the communities eligible for obtaining Wintario grants and recreation centre grants.

One thing that should be pointed out is that in the past, communities in many of the unorganized areas have been eligible for some assistance under these programs through their boards of education. The board of education would set up a recreation committee, that committee would apply for grants through the board, and the board would be the organization responsible and accountable for how those grants were used.

I understand—and I hope the minister can make this clear when he responds—there was some difference between the boards of edu-

cation in the northwest, as opposed to the northeast, as to whether or not they would like local services boards to take over the operation of the recreation committees. I understand some of the large boards in the northwest would like to divest themselves of this responsibility in the unorganized areas, whereas I don't think that's the case in the northeast. Perhaps the minister will be able to clarify that for us when he replies.

If we go back to the board of education situation with recreation committees, they've been able to apply for grants and receive grants through their boards of education and the boards are responsible and accountable for how those grants are used. Basically my concern is that at one of the meetings of UCANO East I attended in Sudbury, there was a representative from UCANO West. She indicated at that time that there seemed to be some difference of opinion among the boards of education between the northwest and the northeast as to whether or not they would prefer to have the local services boards handle recreation committees and have the recreation committees become subcommittees of local services boards, or whether they could continue as they are now constituted under the aegis of the boards of education. The northwest seemed to want to divest itself of it. The northeast was sort of equivocal; it didn't really matter. Perhaps that could be clarified.

[9:00]

In preparing for this debate, in looking at the bill and attending the meetings as I did, I must say I am a little disappointed—and the minister repeated this in his opening statement—that these boards are constituted rather narrowly—I understand why the minister's doing it—in that they deal with the kinds of services I've been mentioning, as well as fire protection, but they don't make it possible for them to deal with other services that have been raised by members of this caucus, especially by that Titan of the north who has spoken so often in the past with such eloquence and empathy for the problems of the unorganized communities of the northwest.

Mr. Bolan: Elmer Sopha.

Mr. Wildman: No, I wasn't speaking of the former member for Sudbury. I was speaking, rather, of that member for the riding of Lake Nipigon (Mr. Stokes)—

Mr. Bolan: Fine member.

Mr. Wildman: —whose words were so important in trying to wake up this government to the needs of the small communities of the northwest.

Mr. Bolan: Stop trying to get around the points.

Mr. Wildman: He represents one of the—

Mr. Bolan: When you are looking for a ruling, you are going to get it.

Mr. Wildman: —largest ridings, the largest riding in the province of Ontario, a riding that includes many unorganized communities, and he understands better than any of us the problems faced by those communities. His words have been somewhat silenced because of the onerous task we charged him with in this House, but I want to assure the minister that the member's spirit lives on in the NDP ranks and will come to haunt him if he doesn't reply to the concerns and needs of the north.

What I'm referring to is that there is no mention in this bill of the needs of health care in the small unorganized communities in northern Ontario. It doesn't make it possible for a local services board if, after it has developed and got some experience and can raise enough funds, to try to become involved with providing better health-care services, perhaps through bringing in doctors on a rotating basis in co-operation with the Ministry of Health and the Ministry of Northern Affairs or in trying to provide temporary facilities, if that's necessary, for doctors, dentists, ophthalmologists and others. I know there are the vans that travel around, the dental vans and ophthalmologists' vans and so on, but I think even the Ministry of Health has some reservations sometimes about the operation of those facilities. They provide a very important and needed service, but there have been some problems with them.

In the past, I believe a dentist went into one of the communities in my riding in a dental van. I guess he wasn't prepared for what he was headed for. He was supposed to be there for a month but he only stayed a couple of weeks. He then applied to the Ministry of Health, saying he wanted to move on. He wanted to leave because he wasn't ready for the heavy work load and the isolation that was involved, even for a short period of time. Perhaps there might be ways that these service boards could try to make it more attractive to the professionals we're trying to get into the communities to serve them and to work with them.

Of course, it may not be possible. It may be just pie in the sky for us to just think about the possibility of these boards providing such facilities as clinics or community health centres. Maybe that's too far out of reach, but I think that should have been looked at. I'm concerned that isn't mentioned

in the bill and that kind of soft service isn't provided as well as the hard services that are mentioned along with recreation.

Those members of our caucus have been supported by that voice from the depths of Frood Mine that has long railed against the cavalier treatment of packsack miners across the north. He understands unorganized communities are really just packsack communities in many cases, or at least are treated that way both by the companies that operate in them and by the government.

In the past, many of these small communities—especially if they were mining communities—were in a situation where the company went in to work the ore out. The government benefits to the extent we tax the mining company, although that hasn't been a great revenue generator for the government of this province because of the philosophy of this government.

We took the wealth out of those communities and in many cases we returned very little in the form of amenities and services. We worked the ore until the ore ran out. The company then packed up and left, leaving the miners and their families to their own devices to find new jobs elsewhere or just pack their bags and leave and dispose of their homes, if they had built homes in the area.

Of course, we know this isn't just a problem in the unorganized communities. It's a problem throughout the north in that many communities of the north are one-industry towns based on a resource. If that resource runs out, the company leaves. If there hasn't been development of any kind of secondary manufacturing, the community is doomed.

They've also been supported by that urbane member of our caucus from the north, the Tyrone Guthrie of Thunder Bay, who began his literary and theatrical career living and teaching in one of the small communities of the northwest.

Mr. Bolan: He's still active.

Mr. Foulds: I used to like you.

Mr. Mancini: I can see why he didn't make a living acting.

Mr. Wildman: He understands very well the problems of isolated communities and the people living in them and the problems they face in providing the kinds of amenities in terms of educational facilities and cultural and recreational facilities for their children and adults.

As I said, with this kind of background and dedication towards the need of unorganized communities it would be very difficult for us to oppose the principle of this bill. We've been fighting for too long and making pleas for better fire protection, for clean water, for sewage facilities, for health-care facilities and recreational programs and facilities to stand in the way of any bill that will make it possible if a community wishes to try to obtain those kinds of facilities.

In response to those pleas, the government in the past has really not come up with anything that was workable. The last time they tried to bring about something they tried to impose Bill 102 on the unorganized communities, making compulsory community councils. The minister mentioned this in his opening remarks, but it really shouldn't have been surprising that concept was rejected by the people of the small unorganized communities in northern Ontario when one observed the way the couple of civil servants flitted across the north to try to get the opinion of people and persuade them this was what they needed and what was good for them.

These people, who perhaps had some experience with unorganized communities—I don't really know what their backgrounds were—came in and didn't give the people in the area the impression they really understood the problems. It produced a reaction against them. They met with such concerted opposition and found the problems were so enormous and the costs to rectify them would be so high they advised the minister to forget about it. The former minister let the matter die on the Order Paper, as my friend from Nipissing mentioned.

This bill is better than that attempt by the government because at least it is, as the minister says, permissive. It isn't forced on the communities. The communities may take advantage of this legislation in forming a local services board to provide a specific service or a number of services, if they wish. If they don't wish to, they don't have to. For that reason, again we support the bill in principle.

This party has continued to point out the realities of this area with respect to the lack of services and to press the government for action. But in the past, and even today I heard the minister make this comment, the government has been wont to accuse us of something they call gloom and doom. We are always accused of being the gloom and doom boys. With this kind of attitude from government, we tend to get rather limited results.

Every time we raise a problem that is a problem, the government says, "You guys are

always looking at the bad side of things. You don't look at the bright side. You are not positive about our great resources in the north," which, of course, isn't true. We know we have a wealth of human and natural resources in the north. We have a beautiful area that really is the envy of most people from southern Ontario, especially this time of year when we travel through the north and see the colours and so on.

Every time something happens in the north, when there is a problem in a community and we raise it with the government, they say we are just looking at the bad side of things.

Mr. Lawlor: Pollyanna Bernier, he smiles at everyone.

Mr. Wildman: One just has to look at the example of fire protection, a pretty basic matter. It isn't complex. Everyone understands the need for fire protection. I am just giving you an example, Mr. Speaker, of where we are at in this province and what has developed in terms of fire protection in the unorganized communities. I think the minister knows where the small community of Oba is. It is on the Canadian National line east of Hornepayne. It is a very small community at the junction of the Algoma Central Railway. Most of the people who live there work for either the CN or the ACR. There are a number, of course, who also work in the bush and people come down from Hearst to work there during the week.

By the way, what is the minister going to do to try to persuade his colleague in Ottawa, the new Minister of Transport, to change this stupid order of the Canadian Transport Commission that is going to take away the service for communities like Oba and put it on a three-day-a-week basis? Is he going to represent the needs of the north and try to persuade him to change that decision?

Mr. Makarchuk: A bunch of incompetents.

Mr. Wildman: He has already accepted his decision. He says it is rationalization of service. I just thought I would throw that in since it relates to the unorganized communities. Many of them are dependent on the railroad; there are no roads to get in or out and they really have to depend on the railway for service. Since the services don't exist in the community, they have to travel out to get them. If they don't have the service to travel out, how on earth are they going to get the services?

I just hope the minister will approach Mr. Mazankowski and say this is folly, he cannot accept this recommendation of the Canadian Transport Commission to take away one of the few services the northern communities have now. I have already approached him myself.

To get back to fire protection, this community of Oba had five major fires in two years, one of which burned down the largest building in the community, the general store, which was the centre of the whole community.

Mr. Kerrio: The firehall.

Mr. Wildman: It didn't have a firehall. That's how much the member knows or understands about the communities in northern Ontario.

Mr. Kerrio: That's why it burned down.

Mr. Wildman: There was no firehall. There was no fire equipment. There wasn't anything to put out the fires. When a fire took place, all the people could do is get out alive with whatever they could carry out of the building and stand and watch it burn down. It is a rail community and dependent on the railway, unless one takes a long, circuitous route from Hearst to highway 11 to get down into it, a distance of 70 miles or so. There is no way MNR could get in there to protect them. Imagine if someone called that there was a fire starting and MNR said, "Fine, we'll be right there," and had to drive 70 miles to get in there and put out the fire. The people could just watch.

[9:15]

I approached this government. I approached this minister when he was in the role of Minister of Natural Resources. I said surely the ministry has some old equipment that MNR no longer uses that could be given to the people of Oba so they would be able to put out a fire, at least fight a fire and prevent it from spreading, when one occurs.

Mr. Roy: What did Leo do about it? What did Leo do?

Mr. Wildman: Well, he said, "We don't have any old equipment. We always use it until it is worn out and then we throw it out."

Mr. Roy: He should have sent you half the cabinet.

Mr. Wildman: They're worn out.

Mr. Makarchuk: That is old equipment. There is no quibbling on that.

Mr. Wildman: So I said, okay, we're not going to get anywhere that way. So the community organized a fire protection committee and bought some equipment. They bought it on their own.

Mr. Bolan: So what?

Mr. Wildman: Nothing, it was very good. But then the Minister of Revenue had the gall to charge them sales tax on the equipment they purchased—

Mr. Bolan: That's terrible.

Mr. Wildman: —to protect themselves against fires.

Mr. Mancini: You should be embarrassed about this, Leo.

Mr. Makarchuk: It's known as double taxation.

Mr. Bolan: Did they get a rebate?

Mr. Wildman: So I asked the Minister of Revenue for a rebate. He said, "Oh, well, we sympathize. We really sympathize with you on this, but gee, there's nothing we can do. It's just the regulation."

Mr. Bolan: They wouldn't know how to treat you.

Mr. Wildman: He said, "Perhaps though, if you could persuade"—

Mr. Makarchuk: Except when it comes to Toronto, they have a special rate in Toronto.

Mr. Wildman: —"the Ministry of Education"—

Mr. M. N. Davison: Education?

Mr. Wildman: —"to treat this fire protection equipment as recreational equipment and as part of their recreation committee"—

Mr. Mancini: Now that's government in action.

Mr. Wildman: —"then we could exempt it because we could treat it as educational equipment."

Mr. Roy: Sure, only at the racetrack it's a little harder.

Mr. Wildman: Fine, so I went to the Ministry of Education in Sudbury. In the north, the schools in these small communities in the northern core are administered out of Sudbury in the northeast and Thunder Bay in the northwest. I went to the people in the Ministry of Education in Sudbury and they couldn't do that. They really didn't believe it was recreational equipment. I pointed out that they might be able to flood the rink with it so they could treat it as educational equipment that way. But to be frank, I wasn't really surprised when they decided it wasn't educational equipment.

That was when, thankfully, the government started to realize that their attitude towards fire protection in small unorganized communities was rather ridiculous. It finally led to the point where the former Treasurer Darcy McKeough introduced the isolated communities assistance fund. When he got up in the House and proposed this program he said it would assist the unorganized communities to provide fire protection and water and sewer facilities where they were needed. The interesting thing about it, of course, was that he just announced it. There were no guidelines as to how the program was to operate. It was at that time under the aegis of the Ministry of Northern Affairs. That ministry started handing out money. They received a lot of applications, of course. They started handing out money—at first it was money, later on it was fire protection equipment—almost helter-skelter.

Mr. Foulds: Those are the guidelines they needed.

Mr. Wildman: They had no guidelines, so they didn't know who should get it and who shouldn't. They had so many applications it was almost a first come, first serve basis. I suppose that is fine but when there is only a certain amount of money, how can the real needs be provided for if some communities are perhaps closer to organized communities and don't need it? I don't know.

That was what was said later on. They started to back up and they said, "Wait a minute, we shouldn't give it to communities that are right beside organized communities because maybe they can get protection from the organized communities."

That wasn't right either. If you are in an unorganized community in most cases the fire department in the organized community will not come unless a school or something like that is burning. If it is a home they leave it up to the Ministry of Natural Resources.

There was at that time no provision made for training. There was only a very vague idea of how they were going to deal with liability insurance or workmen's compensation for the volunteer firefighters, especially since there weren't getting any training. It was very vague as to how they would be protected under these programs.

Some communities, as I said, got equipment even though they had shown little desire to develop on their own the initiative to provide themselves with fire protection. Some others—I think of the example in my riding of the community of Searchmount—worked very hard and even bought a second-hand pumper truck on their own. When they applied, they only got a small portion of what they were asking for apparently because they had already bought a fire truck themselves, even though it was inadequate for their needs. The attitude was: "You have already got a pumper truck. We are going to give the pumper truck to another

community that doesn't have one." In a way, they were penalized for their own initiative. If they had waited and done nothing, they might have got what they asked for.

At any rate, I raised a number of concerns about this whole backwards process of starting a program without any guidelines and without knowing how it was going to operate. I was invited for a long discussion by a couple of people, two officials from TEIGA. You remember that ministry before it was split up, Mr. Speaker. Finally, they came up with some guidelines as to how it was to operate. By that time, of course, the Ministry of Northern Affairs was in operation and they had the responsibility for it.

The worst result of the lack of planning at the beginning of the institution of this fire protection program was the fact nobody thought of making provision for funds for the continuing operating expenses of these volunteer fire departments once they had obtained the equipment. There weren't any funds made available for the construction of firehalls.

Hon. Mr. Bernier: Yes, there were.

Mr. Wildman: The minister says there were. In some of the communities in my riding they had to go to the federal government and make application under the Canada Works program and so on, to try and get assistance to build their firehall. There was no provision made, for instance, for shared-cost funding on the continuing operation of those firehalls once they were built, for the heating of the firehall, which you have to keep heated or the pumper truck will freeze up and it won't be any good to you in the wintertime, and the whole question of the maintenance of the equipment itself.

The advantage of this bill is it does give that opportunity. If the community is going to raise funds, then the government will provide some funds to assist. For that reason we support the principle of this bill.

The one thing that really bothers me about this bill is that because there were so many demands on the isolated communities assistance fund program, in a way this really appears to be a backing off on what was stated at the time Mr. McKeough introduced the program. He didn't just say fire protection. He said water and sewers.

When you think about it, Mr. Speaker, the total funding for the ICAF program in the first year and a half was, I believe, $750,000. When you consider it is going to cover all of northern Ontario, all the unorganized communities in northern Ontario, many of which have water problems and sewage problems, $750,000 was just inadequate, completely ludicrous, especially when you are taking money out of it to provide for fire protection, as well. The money that was left wouldn't have bought 100 feet of pipe, or laid it, in most of the communities.

Really ICAF was underfunded. Apparently, one of the purposes of the bill—maybe I am being too cynical—is to raise more money for the continuing operation of the ICAF program, or at least to ease the demands on that program by requiring the local communities to provide a greater share of the costs by having to have a matching funding program.

That really concerns me. It bothers me that although this bill is very similar to the innovative proposal made by that northern spokesman from Sudbury East two years ago when this ministry was created, in which he moved an amendment—I will refer back to that amendment. If the minister thinks back to July 1977 he will recall the member for Sudbury East moved an amendment in this House which stated:

"The minister shall provide for the establishment of democratically elected community councils, to plan and administer the provision of local services in unorganized communities and, in conjunction with community councils, provide local services at a cost to the residents of unorganized communities in northern Ontario comparable to the cost to residents in southern Ontario."

The second provision proposed in that amendment by the member for Sudbury East is the clincher. It's the most important one: ". . . provide local services at a cost to the residents of unorganized communities in northern Ontario comparable to the cost to residents in southern Ontario."

What was the minister's reaction to that proposal at the time? When the member for Sudbury East was describing the proposal and the reasons for it he said he wanted to set up community councils to which there would be representatives elected from unorganized communities. This was done in Saskatchewan and Manitoba. These were democratically-elected people, not appointed.

The minister interrupted him and said, "Turned down, turned down." That's a quote

Mr. Foulds: Do you remember that?

Mr. Wildman: It's on page 489 of Hansard, July 6, 1977. Mr. Martel then said, "You'll probably turn it down. I have no doubt you'll turn it down." And the Honourable Mr. Bernier said, "It was turned down in 120." He meant 102.

"Mr. Martel: I didn't say we'd incorporate the towns. They were unorganized. It was your government that withdrew the bill and let it die on the order paper. It was a former minister.

"We are going to move an amendment to create, in unorganized communities, community councils democratically elected who will be able to receive grants and funding to provide the amenities which the unorganized communities presently don't enjoy."

I ask the Minister of Northern Affairs: Whose idea was this? Two years ago the member for Sudbury East proposed this to him and the Minister for Northern Affairs played it down and put it down. It's taking him two years to understand and to change his mind.

Mr. Swart: For them that's fast.

Mr. Wildman: I wonder why it took so long.

Mr. Swart: It could have taken 20 or 30 years.

Mr. Wildman: Maybe they're slow learners, I don't know. The minister has brought it forward with the same kind of community council which the member for Sudbury has proposed but he hasn't provided the funds he talked about. This bill is almost a carbon copy of that proposal, but it doesn't provide the same kind of funds.

Really, Mr. Speaker, when you consider what the minister is proposing in this bill in section 24 when he talks about a one-for-one sharing formula, I sympathize with the member for Nipissing in his comments. How are these communities going to make the necessary money? Many of them are so small, have very few residents and a very low tax base. When one talks about the other proposals in terms of bingo and dances and bake sales and so on I'm sure they'll be able to raise the money that way. But will it be adequate to meet the real needs of those communities in terms of water and sewers?

Mr. Bolan: That's left to Leo's discretion.

Mr. Wildman: The Speaker of the House, the member for Lake Nipigon, participated in that debate. He said, "If we're really serious about helping those 50,000 people who live in unorganized communities in northern Ontario we must be serious about providing them with the funding so that they will be in a position to help themselves." And I don't think one for one is adequate especially when the minister says here in his statement that the one-for-one matching grant is not going to include donated materials. I wonder if it is going to include labour.

[9:30]

Hon. Mr. Bernier: No.

Mr. Wildman: No. Volunteer labour?

Hon. Mr. Bernier: No.

Mr. Wildman: Why is it that the Ministry of Culture and Recreation can work out a formula under the Wintario program—

Mr. Kerrio: Easy come, easy go.

Mr. Wildman: —whereby it can figure out the value of volunteer labour and the value of donated material and use that as part of its matching funds formula, but this minister can't do it? If they can do it, surely he can.

Mr. Swart: That's not easy come, easy go, is it?

Mr. Kerrio: They ought to have a northern lottery.

Mr. Wildman: On Monday afternoon I attended a meeting in the community of Missanabie, an unorganized community in my riding, with representatives of the Ministry of Northern Affairs and the Ministry of the Environment. In that community, they have a water problem and they have the problem of how they are going to maintain their roads. As a matter of fact, they also have a fire that has been smouldering for some time in the shavings pile where the mill was before it burned down last February.

We talked about how they are going to organize a committee to deal with those problems and how the Ministry of Transportation and Communications is ready to put up some money to help them on a one-for-one matching basis because they don't have a local roads board.

However, there is a problem there. MTC has a problem because the roads are all on Canadian Pacific land, and the CPR is very concerned about who is going to operate the roads and how they will be maintained. There is a problem with the local roads boards, but MTC is doing what it can. They are saying they will match the funds on a one-for-one basis because there is no local roads board.

Finally, after a lot of prodding, the Ministry of the Environment is going in there, saying it will do a number of things to deal with the immediate problem of water, provision of water for the winter, and that then it will come in on a 75-25 basis next spring for the upgrading of water systems. Where are they going to get that 25 per cent? We don't know how much the bill is going to be right now for that community.

The act governing local roads boards, after which this legislation is patterned by the minister, provides two for one. We talked about this before. If the government can provide two for one for a local roads board to

provide roads and maintenance of roads in unorganized communities, surely it can provide two-for-one services such as water and sewers. The member for Nipissing, who was very concerned about that, had a point in dealing with section 24. It really should be at least two for one.

The minister will admit that last spring's floods proved in northern Ontario that one-for-one matching is just inadequate to deal with a major undertaking for a small community. In that case, the government agreed to come across with four for one. I realize that was a unique situation; it was a disaster. But the fact is that the cost of construction and equipment in northern Ontario is greater than it is in southern Ontario. If the government is going to operate on a one-for-one basis, I just don't think it will work.

There are a number of other things in this bill that I have reservations about. Look at section 28, where it says that these boards will not be able to borrow from any agency other than the crown for more than one year. I ask once again how is Missanabie or, for that matter, Hurkett or Gogama or Havilland going to come up with the 25 per cent share in the 75 to 25 matching program of the government. Even one for one isn't going to operate in that case. They are going to have to finance it, and they're going to have to go into long-term financing. If you don't allow them to do it, except in dealing with the crown, I think you're circumscribing too much their options.

There are a number of other things I am concerned about. I said I sympathized with the member for Nipissing's comments with regard to the two-for-one formula, especially in regard to the funding. I didn't, however, agree with his comments with regard to the roads boards. I don't think the UCANO wants to have roads boards and roads included under this legislation. If they don't want it, why should we tell them they have to have it? As we've seen, the local roads boards generally are operating well. The Ministry of Transportation and Communications has a good operating relationship with them. One thing I'm really worried about is if we did bring the roads boards under this bill maybe they would be stuck with one for one, instead of two for one.

Mr. Foulds: That's right.

Mr. Wildman: As I said, the roads boards legislation does work. But I see one major flaw in it and it's been raised by a number of people who live in the local roads boards areas. That is, if you're a shift worker you're effectively disenfranchised at the annual meeting from electing your executive or your board if you happen to be working when the meeting is scheduled. If you're on a 4 p.m. to 11 p.m. shift, for instance and the meeting is scheduled for 8 p.m., you don't get a vote.

I think it would be much better if we changed section 19 of this bill to make it possible to have an all-day election, much like the way the unorganized communities elect their trustees to school boards on an all-day basis. I would like to see that change in the local roads boards legislation as well.

I also think the term of office is inadequate. I think in many cases these boards, especially at the beginning, will just be learning the job when they suddenly may be changed. I've discussed this with UCANO and I know they have some reservations about the situation. But I really think it should be changed to two years.

I understand we must have an audit under section 29 of the act. There has to be accountability. As I said at the beginning, this is one of the reasons we want to have this legislation. But I can see a problem with just the cost of the audit for some of these local services boards, especially if they're just organized to provide a very small area with one specific service. The cost of the audit may be too much. Also, it may be rather difficult to get an auditor in some of the communities, unless you're dealing by mail. And that may not be satisfactory. I think the ministry should be responsible for the audit.

I support the legislation in principle. I want to propose a number of amendments at the time of second reading.

There are a couple of other comments I want to make before I quit, however, in relation first to a comment made by the member for Nipissing with regard to an area of my riding, Sault Ste. Marie north. He suggested it might be a better idea to have an improvement district organized for Sault Ste. Marie north. But there is one thing in this province that should be eliminated and that's improvement districts. Surely in this House, in this day and age, we believe in democracy. If there's anything that is undemocratic, it's an improvement district.

Mr. Speaker: Is that in this bill?

Mr. Wildman: That was suggested, Mr. Speaker, by the member for Nipissing when he was discussing the principle of the bill earlier in the debate. I just wanted to make it clear, as the representative of the people from Sault Ste. Marie north, there's no way we want an improvement district organized in that area.

Mr. Speaker: You won't get it in this bill.

Mr. Wildman: What I want, Mr. Speaker, is for this minister and his colleague, the Minister of Intergovernmental Affairs, to agree that the people in Sault Ste. Marie north will be able, if they wish, to organize local services boards in their area. We are talking about local services boards and I wish they could be organized in Sault Ste. Marie north, and not have the people told they can't organize a local services board in that area because the Minister of Intergovernmental Affairs is carrying on a study about municipal organization. Surely, in the interim, whatever happens, if they wish to provide a service they should be able to organize local services boards.

As the minister knows, a number of communities are already providing fire protection in that area and have received assistance from the minister. Hopefully they'll be allowed to organize local services boards. The ministry did organize meetings within that area to discuss the possibility. Again, I want to emphasize we believe in electing representatives for the people and not appointing them and certainly not appointing here in Queen's Park people who are going to represent and govern people in northern Ontario.

The other thing I want to mention is the minister's amendment which he provided for me today. It is the amendment that will ensure the provincial land tax will not be lowered if there is a surcharge put on it by a local services board.

I want to ask the minister if he doesn't believe that if the local services board is organized in a particular area and decides it wants to improve garbage collection—which is one of the things he lists in his schedule—and in order to do that they decide they want to establish a landfill site. So they have a landfill site in the area; they're maintaining it and collecting money from the people whether it be through a surcharge as a tax or through an user fee, whatever method they choose, and are no longer dependent on the Ministry of Natural Resources to maintain a garbage dump in the area. Does the minister really believe they should continue paying at the same rate as the provincial land tax? I'm not certain about that.

Hon. Mr. Bernier: It is a low tax.

Mr. Wildman: It is a low tax, I'll admit that, but what really do we get in unorganized communities for that tax? I know the ministry always says we get welfare services, health inspections, and so on. That's true; I agree with that. But they also point to fire protection which the minister knows full well they don't get. They also point to highways, which we all get even if we live in organized communities and don't pay the provincial land tax. We pay for that through our other taxes.

He also mentioned police protection where, if you live in an organized township which uses the OPP protection, you pay for that through other types of taxation. You don't pay for it through the provincial land tax.

The question is, other than welfare services, things like children's aid, mothers' allowance, that kind of thing, what do you really get for the provincial land tax in an unorganized community?

Mr. Germa: Some of them don't even get that.

Mr. Wildman: Yes, some of them such as farmers don't even get that. I wonder whether we are getting our money's worth for that tax. I don't think we are.

I wonder if the local services board can provide some of the services which are supposedly now provided by the Ministry of Northern Affairs, the Ministry of Natural Resources, or the Ministry of Community and Social Services, or whatever, and whether that provincial land tax should be lowered. I don't think we should treat it simply as a little revenue for the provincial government. I'm not suggesting they not pay any taxes, but if they're paying a surcharge on that tax for a service previously supposedly provided by the provincial government and they're providing it themselves and paying for it themselves, shouldn't that be taken into account? I'll have to look very carefully at the minister's amendment.

As I said at the beginning, Mr. Speaker, this is a step forward. This caucus has been fighting for this kind of permissive legislation for some time. I have a number of amendments which I hope we will deal with on second reading at committee stage. I hope this bill will pass and those amendments will be taken into account.

[9:45]

Mr. Germa: Mr. Speaker, it gives me pleasure to rise to say a few words on Bill 122, the bill to establish local service boards.

I'm sure, from the attendance, many members of the Legislature are not interested in this bill. That's the first observation I'd like to make. Even if many of them were in attendance they probably wouldn't know what the minister and I are talking about. They don't know what an unorganized community is because most of the members of this Legis-

lature come from the southern part of the province where they have layer after layer after layer of organization. They've had it for these past 100 years and it probably escapes them to understand the disorganization. An unorganized community is not only unorganized, it's totally disorganized. This bill is going to try to bring some semblance of sanity to a really stupid system.

I would not have done it in the same fashion the minister did, but he's had trouble over the last couple of years. He laboured long and hard and he produced a mouse. Nonetheless, I know the bill is needed.

I hope the people who live in the unorganized and disorganized communities of northern Ontario don't get their spirits up too high, because I don't think there's so much in the bill they should all go out and have a party and celebrate a big breakthrough. We know the funding mechanism in here is not such that the services are going to come up to anything in comparison with what we have in southern Ontario.

If I go right to the heart of the system, I guess the municipality of Metropolitan Toronto gobbles up more of the provincial budget than any other part of the province. A disproportionate share of the provincial budget is put into this capital city. We in northern Ontario understand that it is our capital city, that it has to be funded, it has to be rich and it has to have shiny subways and Ontario Places and museums and science centres and all of these things. We don't complain too loudly up north, do we, Mr. Speaker? We say, "Yes, we'll send all our money down to Toronto and they can build all these fancy things, these buildings and streets and lights."

It's not going to come in this bill. The trend is not going to be reversed. The wealth is not going to suddenly be reversed from flowing south and come up north. We're not going to get a subway in Gogama or Shining Tree or anything like that. I know we're not. It's not in the bill here. It's not in the schedule.

I think the greatest benefit of this bill is going to accrue to the minister. I'm sure the Speaker is aware of this. I've seen pictures of the minister going across the moose pasture in northern Ontario with his largesse. For the program of bringing fire-fighting equipment into the communities, the minister would put one of these fire packs on his back and send a runner ahead. He would be going like a town crier. "Leo is coming. Leo is coming." The minister would be hiding in the bush with his blue hard hat on with the fire pack on his back and he'd come charging into the community with the fire pack. All the people would come out and say, "Here's Leo with the fire pack." He picked up a few votes, and it was great fun.

I've seen pictures of this. I've never seen it personally, but I understand it's quite a sight when the minister brings a fire truck or a fire pack into one of the communities.

Mr. Wildman: Driving in with the siren going and the whole thing?

Mr. Germa: Yes, with the hard hat on. It's nice.

Mr. Wildman: Have you still got your gold hat from Hawk Junction? I got a plaque, you got a gold hat.

Hon. Mr. Bernier: He was glad to be there. He wouldn't have missed it for the world.

Mr. Germa: What's going to happen now is the minister's going to have to deliver a lot of cheques. I can just see the boondoggle going on now. When the minister has to bring his cheque into Shining Tree for $3,000 or whatever, there is going to be the biggest boondoggle you ever saw. He's going to come tearing out of the bush like a wounded moose with his big cheque in his hand. He's going to give it to the chairman of the local services board.

All well and good. It's all good games up there. The Tories are fighting hard up there and this is part of the fight. It's fair, it's politics, but we should recognize it as such. We know this minister. We know what he's up to.

Mr. Mancini: We even know him in southern Ontario, I want you to know.

Mr. Germa: It's more dramatic up north because we don't see dignitaries as often up there.

Mr. Mancini: We're glad we got rid of him in southern Ontario.

Mr. Germa: Leo's a big part of a small problem.

Mr. Roy: That's right, Leo's a big shot down here.

Mr. Germa: When he's in town, they know he's in town, because this fellow runs ahead with the moccasins on yelling, "Leo's coming." Away she goes.

It's going to be a lot of fun up there. It'll liven things up. Some of those towns are pretty quiet. We don't see a stranger for months on end. By the end of February, you get a little cabin fever. If the minister is coming at the end of February with some bucks—and it might even be Saturday night—

Mr. Roy: It's a great time. You make it look as though it is your own personal money you are giving out.

Hon. Mr. Bernier: Yes, a personal cheque.

Mr. Germa: He does it well because he does it often.

Mr. Bolan: Just like spreading confetti.

Mr. Germa: He earns his keep. I don't begrudge it to the minister. Have fun. It is going to get bigger and better all the time.

To get serious on this bill, I know it is necessary to correct some of the problems for those people who through no choice of their own live in an isolated community. Those people need help and with that I have agreement. There is no disagreement anyway.

What I am wondering about is those people who by choice and for no reason, other than for the evasion of municipal tax, are living in that condition. I think the minister knows what I am talking about. I am talking about an unorganized, disorganized township of maybe 2,000 to 3,000 people living adjacent to an organized community. They refuse to organize, they petition against organizing and they get away with it for 20 years. They don't carry their fair share and they are hitchhiking on the organized municipality.

As a long-time alderman in the city of Sudbury I know we were subject to that kind of abuse by those townships on the borders of the city of Sudbury which had no fire equipment and had nothing. When there was a disaster in that unorganized community, when a couple of kids would get burned to death in their beds because we had instructed our fire chief not to take our fire truck out there, the pressure of public opinion would force us to send our fire truck out to an unorganized community. The people who had bought that fire truck were in fact cross-subsidizing people who by their own choice moved out of the community to avoid paying a fair share of municipal tax.

I don't see in the bill any protection against that happening. It is unthinkable when I know there were townships of 4,000 people, a big enough group of people to organize, but they didn't do it. The way we solved that was the government of Ontario annexed these things to the organized communities. That is the only way a semblance of order came about in that unorganized area.

That is a different proposition than the isolated mining camp which I think the minister is talking about here, where people go into an isolated area without any services to work in a sawmill or a mining camp, or a small railroad town. And I don't see any other reason why those people should be living there. Those people need more than what is in the bill, but I don't want the minister to encourage those people, tax dodgers as I call them. I don't know how he is going to separate those two groups.

I also think there should be a sunset provision in this bill so that at a certain point in time, by population, by assessment or by some other means, the local services board is disbanded and the community is constructed into a municipality. Some of these communities are going to grow. At some point in time they are going to be big enough to maintain a municipal structure. By that time, I think the ministry might have difficulty getting them into that position and the trend I described earlier is going to start all over again, where people to evade taxation will choose to go without a municipal structure.

I wish the minister would think of some way of automatically escalating this small bit of organization into a complete municipal structure. It should be a gradual process. It should be phased in and become automatic.

Another weakness I see in the bill is the method of electing people. It refers to an election meeting. I think the minister is not being fair to these citizens, even if there are only 100 of them. Some of them might not be available, some of them might be at work, some of them might be out of town. To say that on one o'clock on Sunday afternoon they are going to elect a board and a person has to be someplace else at one o'clock that afternoon means he would be disenfranchised and he might himself want to run for office.

I wonder if the minister would consider changing it to say that there shall be an election day; at least leave eight hours available for people to cast a ballot, one way or the other. I don't think we need the rigid situation of making up voters' lists. I am not asking for access to the ballot box over a longer period of time than this arbitrary date of meeting. Some funny guy might hold the meeting at one o'clock in the morning or something. There is no control here whatsoever.

Another thing I am wondering about is that a meeting has to be called in order to make a levy on top of the land tax. It is not normal for elected people to have to call a referendum to levy a tax. I can see some great conflicts here. Because we have, in some of our unorganized areas, the same sort of conflict we have in Muskoka where we have these non-resident property owners known as the "cottagers," as opposed to the "natives." I can see the same conflict coming up. We have the same situation. We have

non-resident campers who could impose their will upon the permanent residents of the community, even though their need is very great because they are there all year round. There has to be some way to get oneself out of that problem.

That is about all I have to contribute to the bill. I intend to support the bill and we have been waiting for it for a long time. I certainly hope that it is the answer to a very difficult problem. I recognize the problem the minister has had in getting agreement and in getting something down on paper. It is a good first step, we know from experience. Lots of luck with it.

Mr. Foulds: I rise with a good deal of enthusiasm to support the bill. I don't think it is perfect, but I think it takes a number of steps in the right direction.

Frankly, I'd like to take an exception to the remarks made by the member for Nipissing because I don't think this bill is anything like Bill 102. I don't think it is an illegitimate son of Bill 102 at all. I think it is an entirely different approach and an entirely different piece of legislation.

Although, as I have said, it's not perfect, I think it approaches the problem in the right way. Obviously, the bill will need revision in the next year or two as we work out the mechanisms that are proposed within the bill.

But there are three basic principles in the bill that are very, very much worth supporting, as they affect unorganized communities. I would just like to touch on those very quickly.

First of all, I prefer to use the term "optional" rather than "permissive." Basically it means the same thing, but it is an optional piece of legislation for the people in the community to use if they wish, or if they don't wish. That is categorically different from the old nefarious Bill 102. I think that just using that basic approach put the minister and the ministry on the right track.

Second, and this is just a bit of an aside, I think the minister actually deserves a bit of congratulation because I think this is the first piece of legislation introduced for which his ministry is directly responsible. That takes a while in a new ministry, to actually work out a piece of legislation. I think they deserve some kudos for that.

[10:00]

The second principle embodied in the bill is that the services board established is clearly not a form of municipal government. That is made very clear. That does give us some problems later on in terms of what we do with the assets should they give up the minimal organization they have generated. But I think that is extremely important and I want to second the comments of my colleague from Algoma in that it is also preferable to and much different from the old improvement district.

The old improvement district was devised many, many years ago in an attempt to try and solve some of the same problems. It didn't work for a whole host of reasons and I am glad to see we are phasing out the improvement district throughout northern Ontario. This is a form of organization—I think that is the key—and it is a form of organization that has a good deal of flexibility in the legislation.

The third thing I appreciate about the bill is that the government does admit there are problems in the unorganized territories. And while the bill admits that, it tries to address itself to, and come to grips with those problems. The six areas outlined in the schedule hit the main areas about which unorganized communities have been concerned. What I like about the listing is that individual communities have the choice of deciding whch of those areas have priority.

I would like to add that under the definition of recreation, I hope we include the broad definition of cultural activity, including not only sports and recreation as we normally think of it, but in some cases minimal library services, art shows and things like that.

In a few minutes I'm going to talk a bit about my experience living for a year in an unorganized community. Some of the services provided from outside at that time were well received, certainly by the children in the community. We and the minister should look positively in considering funding for things we don't usually associate with the narrow sense of recreation, but in the broad sense.

The fourth thing I think is commendable is the process by which the bill developed. For all his faults—and the minister and I are probably going to clash from time to time in the future as we have clashed in the past—I like to give a man his due when he does something constructive; in this case the minister and the ministry consulted with people across the north and with both of the organizations that represent the unorganized communities in the northwest and the northeast. That is one of the key reasons why the bill is basically acceptable to all parties in the Legislature and to most of us who are concerned about these things.

It may be because the minister himself comes from an unorganized community that he has some genuine feeling and under-

standing of the problems. Because until one has lived in, or been associated with, an unorganized community, one can't really understand those problems at all.

And before I get to some more substantive matters, I do want to pay tribute to the member for Lake Nipigon who I think did more between 1967 and the acceptance of his present onerous duties to bring to this Legislature the problems of unorganized communities than any other member of this Legislature. I am greatly indebted, as I am sure the people of those communities are greatly indebted, to the member for Lake Nipigon. Time and time again he brought forward concerns of those communities, both in individual cases where the community was suffering and in terms of principle where it was a matter that in justice should be redressed, not merely for that community but in principle, about how services were or were not delivered to the north.

I think he certainly contributed a great deal to my own education in understanding those problems. I think he contributed a good deal to the understanding of the members of this caucus about those problems. Certainly when he first came down between 1967 and 1971 there were relatively few members of this caucus or of this House who had the understanding of the problems of unorganized communities that he did.

I want to speak for a moment about the problem raised by my colleague from Sudbury. There are in fact two different kinds of unorganized communities. There are the isolated communities that deserve, if you like, special consideration. Then there are the bedroom communities that my colleague from Sudbury talks about.

Let's honestly face that problem in this Legislature. We all know instances of what we used to call strip development in some cases. People deliberately moved out of organized communities to escape taxation. Often they were relatively wealthy people who could afford to move out to escape taxation. then they came crying to the municipality right next door for service when it was needed. They often used all the services of the major community—cultural facilities such as libraries. They put pressure on the municipalities regarding fire protection, and so on. I think that's a problem we have to address. I don't honestly have an easy solution to that.

That's one of the reasons why at this moment I'm happy to support this bill. I think it does meet the very real problems of the isolated community. It can be judiciously used to meet the problems of those near-organized communities.

I think we have to treat those so-called bedroom communities in two subcategories too. There are those that were historically established in the first place, years and years ago; 50 or 60 years ago in the case of some of those around Thunder Bay, for example, where transportation is not what it is now. Those were isolated communities then. A number of the residents still have those historic pioneer roots. I think they deserve more consideration than merely what I call the carpetbaggers, who moved out and, in fact, set up a community.

I think one of the reasons why I feel so strongly about getting a fair deal for unorganized communities is the year I spent in Armstrong, which is not in the Speaker's riding. It was a real education for me. I was a young man in my early 20s at the time. I was out of work at the height of the Diefenbaker depression. I had arrived back from travelling in Europe with a smashed leg. I needed to find some kind of a job. There was a teaching job going in Armstrong. As it happened, it was also the principal's job of a small three-room school.

Hon. Mr. Bernier: You're a better person.

Mr. Foulds: The minister is quite right. I learned a number of things from that year's experience. I learned a lot about the self-reliance of people in those unorganized communities.

Although I had lived all my life in the north, I had lived in an urban centre in the north. I learned a good deal about organization. Strangely enough, when you're thrown into a community that is basically not organized, you have to develop—if you like and if the minister will forgive me—some kind of cell organization in order to survive and in order to carry out your own tasks.

I remember that year very well. That year, also in Armstrong, I remember two men who became close friends of mine. One was a businessman, Jack Cameron, who ran a general store and later moved to Thunder Bay and has a very successful business there, and the other was a Jesuit priest, Father Bill Maurice. If I may be so presumptuous, with me very much the junior partner, the three of us that particular year got a number of activities going in the town including a hockey rink. Bill Maurice sort of spearheaded the idea. Jack Cameron and a number of his friends carried out the bull work, if you like, and got the supplies together, the flooding equipment and so on. Then they saddled me with the job of coaching the hockey team.

That was an experience. In a small community like that, you couldn't have a midget

or a bantam or a juvenile team. I had kids from ages six to 16 on the same team; that was all we could get together to make up a team. We used to go on road trips to the metropolises of Nakina and Hornepayne. Those were great trips for the kids because they learned a lot on those trips. If I dare say it, some of the boys on the team travelled at half fare. That was one of the privileges of living in the north, that kind of thing happening.

I remember, because there was this disparity in ages, when we went to the other towns we used to play the midget team usually; they would be boys from 12 to 14. I had one good line of older boys I used to put on with a set of younger boys on defence, and vice versa. Then I would mix them up to try to balance them off.

There was one exciting game in Armstrong, a home game, where we were really close; we used to lose all the games, but we were really close, within one goal. One of the excited, committed people in the town came up to me and said; "Throw on so-and-so line with the other defence." In other words, put my big line on with my big defence. I did that for about three or five minutes, but after a while the boys got winded and I had to change them.

The guy came up and said, "What are you doing? Put on the Parker line again, you fool." I said, "I can't do that." He said, "You do it or meet me behind the hotel after the game." So I said, "Okay, I'll meet you behind the hotel after the game."

Mr. Wildman: He called you a fool? Are you sure that's the word he used?

Mr. Foulds: That's the parliamentary word he used. What it indicated to me was the kind of commitment that person had to the team, and the commitment he had to his town and how the team was representing his town. I'll tell you the sequel. After the game he came up to me and said, "Don't meet me behind the hotel. Let's meet in the hotel and have a beer." It was during the heat of the excitement—

There were very few symbols in the unorganized towns for people to coalesce around. I think we need more of those, and I think this bill sort of establishes that, so communities that would not otherwise be able to establish a rink and a small hockey team will be able to do it with some assistance from the government.

[10:15]

I have only a few more remarks. I want to talk very briefly about the unorganized communities in my own riding. In a peculiar kind of way I think they sort of span the spectrum of what we actually meet in the north. People don't believe this, but I actually have a township in my riding that has five permanent residents, that's all. All the rest are cottagers. This bill actually doesn't affect them because I don't think they will ever organize, and that's good. They have a roads board, and it's quite an effective roads board, and basically that's all the organization they need. That's Jacques township. I think it has seven permanent residents now. There have been a few more within the last year.

I have a community called Kaministikwia that is farther out and it's really in two townships. Kaministikwia combines parts of Gorham and Ware townships, both of which are unorganized. Gorham and Ware are interesting because in a sense they are growing at a fairly fast rate and population in those two unorganized townships, particularly in Ware, is higher than in Conmee township, which is organized. That's where some of the peculiarities and apparent injustices take place.

Why I think this bill will be successful is it will be easier for townships like that—certain areas of them—to go to this kind of organization and then see the benefits of that as they grow in size. This happens to be a growth area. It will be easier for them, if they wish, to go to an organized status. I think it will do something in terms of training people in some municipal responsibility.

The other advantage is that where there is a static community—and a number of them are static—or one where there is some decrease in population you can still establish the organization.

I have one community called Pass Lake. It's in an unusual position in that half of Pass Lake is in an organized township and half of it is in an unorganized township and the Lakehead planning board jurisdiction runs right down the middle of it. They have a very strong sense of community in Pass Lake. It was originally a farming community and Danish settlers there have contributed a lot to it.

I suppose in that sense there really won't be a solution for them because part of the community is already in an organized territory. The part that's in the unorganized territory probably could set up the organization but some of the key people in the Pass Lake community would be excluded from it. I don't suppose there's any real solution to that. It's something that has always troubled me ever since I was elected, and something I wouldn't mind talking to the

minister about at some point after the legislation comes into effect.

There's a community called Lappe in my riding which is about 15 miles from the centre of downtown Thunder Bay. That's an old community, in the sense that it was a pioneering Finnish community at the turn of the century when people actually thought they could farm the land there. It turned out not to be rich agricultural land. There are a number of Finnish settlers who continue to live there and their sons and daughters continue to live there. It is part of Gorham and Ware townships.

Because they're next to Thunder Bay there's a lot of pressure on them coming from the city of Thunder Bay, the natural urban pressure of growth that comes on them. I think they're becoming very much a mixed community. There are a lot of mobile-home parks there that are a real problem. There's some conflict between the people who moved out there many years ago and the newer people, and it's sad to see the conflicts there.

I think this legislation will give them a good opportunity to organize as a community services board. I think you'll have some pretty lively elections in a community like that which will be healthy and good. That way you'll get a good representation on the board.

I have two or three problems with the legislation. I'm sure the minister has as well. I'd like to mention them very quickly.

I would like to emphasize the importance of the minister and the ministry giving some consideration to a day-long election of some kind. I quite agree with my colleague from Sudbury, we don't need a full-fledged, municipal election with returning officers, polling stations and so on, but some kind of mechanism where someone who is working shift work could (a) stand, if he can't get off shift, and sometimes you can't, and (b) at least cast a ballot.

In unorganized communities, it is sometimes hard for the spouse of the working person to get a baby-sitter so the family can be represented at the meeting. It is sometimes hard, particularly when you have a community meeting like this. I would like that to be given some serious thought. Maybe it only needs to be eight hours, from 10 to six in the evening. Maybe there could be some kind of relatively simple supervision and the provision somewhat like the Election Act where someone from the rural area can be sworn in or recognized as a resident in the geographic area. I think that deserves some thought. I don't have the mechanism detailed at all but I think it's worth considering.

Like some of the previous speakers, I would like the minister to give some thought for either a two-for-one funding or making the one-for-one funding mandatory by changing the "may" to "shall." There are some areas where it may be justifiable—and I probably shouldn't say this if it's going out to the whole province—where there is a good argument for saying, "That service, because of its nature, deserves two-to-one funding or more, and this other service, because of its nature, deserves a one-for-one funding." Maybe that's something that can be looked at after experience as you work through the next year or two years. It may be interesting to see what kind of bylaws get passed. It might be kind of interesting for the ministry to follow up on what bylaws get considered and rejected because of the limitation in tthe funding procedure at the present time.

I'm very curious about the fiscal year. It's not a big question. I'm wondering why it isn't the standard one with municipalities or with the provincial budget. I would like to be informed on that.

When I was looking at the funding provisions, I happened to take a look at section 9 of tthe original act which indicates the minister can enter into agreements with federal authorities, for example. I think there should be every reason why this government, and this minister in particular, should put some pressure on the feds for some funding for unorganized communities, particularly when it comes to things like transportation services.

It seems to me, if the feds are going to pull the stupid move I think they're doing right now in withdrawing the northern daily service across the north, the line of the CNR, that there should be, at the very minimum, some commitment on the part of the federal authorities to supply some additional funding for either a bus service, other connecting links or even, if I may say so, for roads so that the people have egress from and ingress to their communities.

I remember when I lived in Armstrong there wasn't a complete road there. There was a connection of bush roads that eventually connected to the road that came out at Hurkett. During the spring thaw there was a two- to three-week period where it was very dangerous to travel that road.

I remember once actually going through a washout at nine o'clock on a Friday night in late April or May—probably May. The car stalled just when we got to the other side. I

happened to be with two American servicemen who were sitting by the side of the road waiting for the next car to come along. I told them there wasn't going to be any next car. Luckily I walked back to Gull Bay and we got some help from Ministry of Natural Resources people.

The train was important in that community. It was important in terms of goods as well as people.

I think we really should see what kind of agreements can be made. I think the mechanism of the northern affairs ministers' conferences that have been developed would be one through which this should be approached.

I'd like also very briefly to speak about materials. I can understand some of the problems that might arise because of the accounting and auditing procedures. I think one of my colleagues suggested looking at the Wintario guidelines. I know they're having problems with Wintario guidelines.

You might also look at the Election Expenses Act, where certain services that are contributed to an election have to be declared as a donation and given the monetary value. It's a long time since I looked at that legislation. I know that my CFO looks at it very closely. There are mechanisms in there for evaluating it that might be worth looking at in terms of developing sound legal guidelines that can be audited and monitored. I know they are audited and monitored very closely in the Election Expenses Act. That applies, I believe, in the federal act as well as in the provincial act. Donations, in kind and in services, have to be declared as donations.

I make that suggestion in a positive light because I think it might give us the lead that we need in developing further improvements in the legislation.

The other area I'd like to discuss is this: I think the drafting is good in the legislation, but I think there are some problems in terms of the area that comprises a community. I think the ministry will have to be alert that there is perhaps a kind of arbitrary decision in some cases to make it too narrow. I think this might apply particularly in the not-so-isolated unorganized communities where a small grouping might want to look after just its corner and forget about other people. I think that would only lead to conflict, because eventually you'd have to make the bigger services board anyway.

On the other hand, and I want to conclude on this point, I don't think we should force, or even be seen to attempt to force, anyone into a services board who doesn't want to belong to it. I think that's one of the key principles in the bill. It's one of the key principles that make the bill acceptable to most of the northerners I know in this House, and it's one of the key principles that make it acceptable to the organizations that represent the unorganized communities at the present time.

In summing up, I feel pretty good about this legislation. I think it has been a good run at a piece of legislation. There are improvements that need to be made. Of course we will be going over it clause by clause in some detail. The minister and his staff should positively consider some of the amendments that will be proposed during the clause-by-clause.

One final suggestion: I think the minister should have his legal people look at his own amendment, as I have seen it. It may in fact need a companion bill, rather than an amendment to this act, because it tries to amend a different act. That should be checked with the rules of the House.

We in this party would be most agreeable to supporting the amendment, if it has to be brought in as a separate bill amending a different act, and just consider it a companion piece of legislation.

On motion by Mr. Swart, the debate was adjourned.

The House adjourned at 10:30 p.m.

CONTENTS

Thursday, October 18, 1979

Local Services Boards Act, Mr. Bernier, on second reading 3627

Adjournment 3650

SPEAKERS IN THIS ISSUE

Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)
Bolan, M. (Nipissing L)
Davison, M. N. (Hamilton Centre NDP)
Eakins, J. (Victoria-Haliburton L)
Foulds, J. F. (Port Arthur NDP)
Germa, M. C. (Sudbury NDP)
Kerrio, V. (Niagara Falls L)
Lawlor, P. D. (Lakeshore NDP)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Roy, A. J. (Ottawa East L)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Wildman, B. (Algoma NDP)



No. 87

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Friday, October 19, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

FRIDAY, OCTOBER 19, 1979

The House met at 10:04 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

TORONTO ISLAND HOMES

Hon. Mr. Wells: Mr. Speaker, this morning I will be introducing a bill which contains a number of amendments to the Municipality of Metropolitan Toronto Act. The purpose of these amendments is hopefully to bring to a conclusion the dispute over the continued existence of the Toronto Island residential community.

Last December I proposed that the city of Toronto and the municipality of Metropolitan Toronto discuss the status of residents on the Toronto Island. This, I hoped, would lead to an agreed-upon solution.

I believed then, as I do now, that decisions affecting the future of the people involved should not be made in the tense atmosphere imposed by imminent eviction. Instead, to allow for a calm discussion of the issue, I proposed that Metro postpone enforcing the writs of possession against island residents.

In recent months, I have met several times with representatives of both Metro council and the Toronto city council. This, I thought, was my proper role in this matter, a mediation role in a dispute over whether or not people should continue to reside on the island.

I can only report today that despite earnest talks during the past few months, no agreement has been reached on a solution to this problem among the interested parties. There are still differing opinions and attitudes on the status of the island community, the rights of its residents, and the use of the lands.

I have now come to the conclusion that the issue must be resolved without any further delay. It is only fair to those people now living on the island that we do so.

The amendments to the Municipality of Metropolitan Toronto Act, which will be introduced today, will permit persons who hold an interest in land under the original leases or renewals, or present adult residents of the island, to negotiate new leases with the city of Toronto, which will have leased the land in question from Metro. These new leases will allow leaseholders to stay until they wish to leave.

Persons who are entitled to a lease from the city will have until April 30, 1980, or approximately six months, to enter into a lease with the city. If, for whatever reason, no lease has been entered into by June 30, 1980, then the lands revert to Metro and no further lease of the lands can be made.

However, it will be clearly specified in the legislation that no tenant will be able to sublease the land, or in any way give over occupancy to other persons.

In other words, if a tenant, either through death or a move or by any other means, relinquishes occupancy, the land will revert to Metro Toronto either for parkland use or for use by senior citizens.

I think this solution is a fair compromise. It allows the present island residents to live in peace as long as they choose to remain and, over the long term, as residents gradually leave, it means that the island property will revert to Metro Toronto.

In more detailed terms, the amendments to the Municipality of Metropolitan Toronto Act will include the following provisions.

Mr. Kerrio: Long-term planning.

Mrs. Campbell: How much money are they going to charge?

Hon. Mr. Wells: If the member reads the legislation and listens to what I have said, he will realize there could be a community there for many years to come.

Mr. Kerrio: Long-term planning, that's what I said.

Hon. Mr. Wells: In fact, they could be there longer than even the member or I will probably be around this House.

The act will contain the following provisions:

1. All existing leases, licences of occupation and land use permits in respect of lands on which residences are situated on Wards Island and Algonquin Island will be confirmed null and void.

2. Metropolitan Toronto shall lease to the city of Toronto these lands at market value rents as if they could legally be used for residential purposes. All arrears in rents,

taxes and public utilities rates will be paid in full by the city of Toronto to Metropolitan Toronto.

3. The city of Toronto shall lease to any occupants entitled to a lease on property on Wards Island or Algonquin Island, such land on terms and conditions to be agreed upon between the resident and the city of Toronto. Metropolitan Toronto shall lease to the Wards Island and Algonquin Island community associations the common elements.

4. Copies of all leases entered into shall be forwarded to the municipality of Metropolitan Toronto and the city will also notify Metro when any leases are terminated.

5. Any party who enters into such a lease shall not be entitled to assign such lease or grant a licence of occupation in respect of the property. In the event of the death of the lessee or the lessee giving up occupancy of the property, Metropolitan Toronto shall have the sole interest in the land and may immediately enter upon the land and remove any structures or buildings thereon or use them for senior citizens' purposes.

6. The metropolitan corporation and the city of Toronto shall, as long as residential leases are in effect on Wards Island and Algonquin Island, continue to maintain the existing level of services or improve such services to the islands. Where services or facilities are provided by the municipality of Metropolitan Toronto in respect of these properties, the city of Toronto shall reimburse the municipality of Metropolitan Toronto for the expenditures made or deficits incurred by Metropolitan Toronto.

7. The Lieutenant Governor in Council may appoint an adjudicator whose duties shall be to resolve any dispute with regard to this list of items: (a) the terms and conditions of the leases between Metro Toronto and the city of Toronto; (b) establishing the levels or standards of services to be provided to the residents of the islands; (c) the determination of the cost of providing services to the residents of the islands by the municipality of Metro Toronto; (d) the determination of the date when the property has ceased to be occupied; (e) the determination as to who is entitled to enter into a lease with the city of Toronto; (f) the determination of the terms and conditions of a lease between an occupant and the city of Toronto; (g) the determination of the terms and conditions of leases to be entered into between the community associations and Metropolitan Toronto; and (h) any other matter which may be assigned to the adjudicator for resolution by the Minister of Intergovernmental Affairs.

Mr. Speaker, the decision of the arbitrator appointed for these particular purposes and in respect of these matters will be final and binding. I hope that this legislation—which I hope will be supported by members of this House—will bring a conclusion to what has been a very thorny and troublesome matter for many people concerning the residences on Toronto Island.

ORAL QUESTIONS

TEACHER-BOARD DISPUTES

Mr. S. Smith: A question for the Minister of Education in the absence of the Premier (Mr. Davis). Would the Minister of Education or the Premier use her, his or their good offices immediately to make sure that the Peel education strike is brought to an end and that the children return to the schools on Monday, in view of the fact that the differences between the parties appear now to be somewhat of a technical nature?

Does the minister not agree that 52,000 students should not be forced to wait any longer before this strike is brought to an end? Would she meet with the parties, tell them to get the schools open again on Monday and leave the remaining matters to an impartial arbiter?

Hon. Miss Stephenson: Mr. Speaker, the parties have been negotiating vigorously since Tuesday of this week. As of last night they were a hair's breadth apart. There is one small matter which is being discussed this morning, even now, between the negotiating teams. The mediator is present and acting in that role and the Education Relations Commission has assured me that the returning officers will be on standby in order that the ratification vote may take place as rapidly as possible once agreement has been reached on that one final matter.

Mr. S. Smith: Mr. Speaker, I appreciate that. But I ask the minister again: Does she not agree with me that, given the technical nature of the remaining differences, it's not reasonable for 52,000 students to be kept outside their school system while this is going on? Did she not hear, as I did, that the next meeting apparently of the teachers, or possibly a board of the teachers, was scheduled for next Thursday?

Under these circumstances, should she not move, with dispatch, to bring about an opening of the schools on Monday, so that at least the students don't have to continue to suffer while these remaining differences are ironed out?

[10:15]

Hon. Miss Stephenson: I can assure the honourable Leader of the Opposition that we have been using whatever good office is possessed by a number of members of the government and that there are discussions going on right at this moment. The announcement that was made on the radio was somewhat misleading, but the negotiation teams are meeting right now in the presence of the mediator, in an attempt to solve that final, very small problem. We shall continue to help them do that.

Mr. Jones: Supplementary, Mr. Speaker, to the minister: I am sure the minister appreciates the concern of the members for Mississauga North, South (Mr. Kennedy) and East (Mr. Gregory), and also the member for Wellington-Dufferin-Peel (Mr. Johnson), over the past few days that the children have been out of school.

We wonder if the minister could help us, as we talk to our constituents, as to whether it is basically an Education Relations Commission problem? Is the minister able to share that with us in the Legislature today?

Hon. Miss Stephenson: I am not at all sure there is an Education Relations Commission problem. There has been some difficulty in finalizing a contract. Indeed, a memorandum of agreement was drawn up last night. There is one small portion thereof which is providing a problem at this point and on which legal advice has been sought and received. As a result of the information developed through that legal advice, the parties are negotiating at this time. I am optimistic they will be able to find a route to a solution.

Mr. Conway: I have a more general question. Knowing of the minister's great concern to bring it forward, can the minister take this opportunity to tell this House where exactly the internal review of Bill 100 is this very day? And can she say when, how and where it will be brought forward for public discussion and debate?

Hon. Miss Stephenson: Mr. Speaker, if you accept that as a supplementary, I shall be pleased to answer.

Mr. Speaker: Please continue.

Hon. Miss Stephenson: All right. The internal review of Bill 100 is completed. I hope to be announcing on Monday or Tuesday the membership and the terms of reference of the external review committee. I anticipate that committee will commence to function very shortly after that announcement.

TORONTO ISLAND HOMES

Mr. S. Smith: Mr. Speaker, I will direct a question to the Minister of Intergovernmental Affairs, given the fact he has now given notice of his intention to introduce into this House a so-called compromise plan. Like most compromises this government comes up with, it takes a stand on neither one side nor the other of this very important issue.

Does the minister not recall that his colleague, the Minister of Industry and Tourism (Mr. Grossman), last November 16 called for the retention of a community—not just the present leases but a community—on the island? And does he not recall that this House voted to give jurisdiction to the city of Toronto clearly for the purpose of maintaining that community? In particular, does he remember the Minister of Industry and Tourism saying, "I have been able, when necessary, to play hardball" on that particular topic?

May I ask who it is in the cabinet did the pitching when the Ministry of Industry and Tourism struck out?

Mr. Conway: All windup and no pitch.

Hon. Mr. Wells: First of all, let's put this in proper perspective. The honourable Minister of Industry and Tourism didn't strike out. First and foremost, and in a much more effective manner than anyone in this House, he has fought for the rights of the residents of the island.

Mr. Breithaupt: It was more of a pop fly.

Hon. Mr. Wells: He has met with them and he has been effective. Notwithstanding anything that anyone on that side could have done, the fact remains there were legal writs of possession that could have been executed last November and, because of the actions of this government and the agreement of those people in Metropolitan Toronto, they were never executed. Although they had been fought for in court for a number of years, they were never executed when we asked them not to execute them—something my colleague, the Minister of Industry and Tourism, asked.

In the interval, we have fought for and worked together to come up with a solution. Sure, it's a compromise; but it also blends together the very firmly held and real positions of some people who believe that when Metro set out to create a total park there that park should be created.

Mrs. Campbell: There were plans for a total park.

Hon. Mr. Wells: The member for St. George was part of that. She may have been on the other side, but there are people in our caucus who sat on—

Mrs. Campbell: I was never on the other side.

Mr. Gaunt: Don't misconstrue her position.

Hon. Mr. Wells: I'm saying she may have been on the other side of the metropolitan dispute.

Mr. Speaker: That wasn't part of the original question.

An hon. member: But she interrupted, Mr. Speaker. She was out of order.

Hon. Mr. Wells: I'm sorry, Mr Speaker. I'm sure she had former colleagues in this House who sat in Metro at the time, who didn't feel the same way she did. The actions of those people resulted in people's homes being taken and being demolished to create the Metro park. It isn't a black and white situation.

The compromise we have come up with allows those people who are on the islands to stay there. It allows Metro, if they wish, to not demolish when they become vacant but to fix those homes up and use them as senior citizens' accommodation for the summer, something several people in Metro and some members of Metro council have remarked to me would be a very good idea.

In fact, the preservation of a residential community on the islands is possible under this legislation, if Metro wishes it.

Mr. S. Smith: Supplementary: Does the minister not recognize that even if some of the homes are not demolished and are perhaps used as summer cottages by senior citizens that for most of the year what you will have on the islands is a gradually shrinking community, gradually being strangled, as fewer and fewer people are there to provide the critical mass required to have a sense of community and to provide for their safety, for their policing and for their various interpersonal needs?

Does he not recognize what he is doing is condemning the community to a slow strangulation? Why doesn't he have the courage to take one side or the other in this dispute, rather than come down the middle and have the community die a slow death?

Hon. Mr. Wells: Because I don't believe the community will die a slow death, Mr. Speaker. I think my pessimistic friend is far too pessimistic. If he would accept this compromise and go out and make it work, I predict the island will not die a slow death.

Mr. Warner: The minister has clearly given us this morning in the paper the path for the delayed destruction of that community, and in so doing has gone against the will of this assembly. What on earth makes him think the bill he introduced today is going to get through? All he has done is sow the seeds of delayed destruction—nothing else.

In the interim, as the Leader of the Opposition mentions, all he did is provide the basis for a deteriorating community on the island, clearly against the will of this assembly and clearly against the will of the city of Toronto.

Interjections.

Mr. Warner: I would like to know who on earth promoted this kind of wishy-washy compromise. Where did it come from?

Hon. Mr. Wells: Mr. Speaker, I have infinite confidence that the wisdom of this solution would become evident to the members of this Legislature when they discuss with all the people of Metropolitan Toronto—

Mr. Warner: Who promoted it?

Hon. Mr. Wells: —their wishes and their desires. When they do that the members of this House will see this is a viable solution and will pass this bill. I do not believe it violates anything this House has said.

Mr. Warner: Who promoted this?

Hon. Mr. Wells: I promoted it.

Mr. Renwick: Supplementary to the minister: My mind is turned more or less to the Royal Canadian Yacht Club. I was just wondering whether or not the government intended to intervene and take into public ownership for the use of the people of Metropolitan Toronto and elsewhere in Ontario, that magnificent sailing facility, the Royal Canadian Yacht Club, which is now a preserve of only those who can withstand the blows inflation has placed on the wealthy people of the city.

Hon. Mr. Wells: First of all, Mr. Speaker, I don't belong to the Royal Canadian Yacht Club; I don't belong to any yacht club.

The answer to my friend's question is no. I think that the use of the island by several yacht clubs—I would take it from what I see over there that there are all kinds of boats moored all over the place, so it's used by many people at present—is a very viable use for part of the island.

Mr. Conway: Do you have one over there, Mac?

Mr. Nixon: Mac's boat is too big to dock over there.

Mr. Speaker: If we can get back on shore now we'll hear a new question.

SUPERMARKET PRICING AND CHECKOUT SYSTEMS

Mr. Cassidy: Mr. Speaker, I have a question of the Minister of Consumer and Commercial Relations. Is the minister aware of the widespread concern among consumers and groups such as the Consumers' Association of Canada about the proposal by supermarkets to introduce the universal product code and electronic scanning, thereby eliminating the individual price stickers on grocery products in supermarkets in the province?

Specifically, is the minister aware that the new Loblaws store at Base Line Road and Merivale Road in Ottawa has installed such a system to the point where almost all of the grocery products in cans and boxes in that supermarket no longer carry any kind of individual price sticker or price identification?

Mr. Conway: It's the first shot in the Carleton by-election.

Hon. Mr. Drea: If it is, it's going to be a volley.

It may be news to the leader of the third party that I informed the justice committee last Friday that I had been informed of this development in Ottawa. I shared my concerns with them and pointed out all of these things.

Mr. M. N. Davison: Let's have some action here.

Mr. Cassidy: Since the minister has expressed his concerns to Loblaws, is the minister or the government prepared to bring in legislation, as Quebec has now done, in order to require supermarkets to continue to label their grocery products with the individual price stickers as in the past so that consumers are not deprived of essential information about the high cost of food because of the introduction of an electronic scanning system?

Hon. Mr. Drea: First of all, I know of no other supermarket that is going the route of that one in Ottawa. I think perhaps the leader of the third party gets his projections from something that I said in estimates last week. There is no question that some stores have not been individually pricing. By and large, the stores that do use this do have individual pricing. As a matter of fact, when the president of Loblaws informed me of this he pointed out that he would be the first to go the other route.

Mr. Cassidy: A test case.

Hon. Mr. Drea: Oh, he's not testing me. Mr. Nichol would never test me.

Mr. Swart: He knows the minister will defend him.

Mr. Conway: He's settling on a no-name basis.

Hon. Mr. Drea: That operation really only commenced last Tuesday morning. They did have a reception there Monday night and I had people from the ministry there. I have had some consultations with the Consumers' Association of Canada and, indeed, I don't know why the leader asked me this morning because I told the committee, including his members last week, that I intended to take a look at that particular operation.

I want to have some further consultations with not just the Consumers' Association of Canada but the trade union that was involved in the development of guidelines which were never accepted and some other people. In a very brief period of time I intend to come back to the House and tell the members exactly what I intend to do about it in a very positive way.

Mr. B. Newman: Supplementary: I'm sure the minister is aware that we debated this issue in the House at some length. We debated the bill I had introduced that would mandate the price sticker on each individual item, not necessarily on each toothpick, as some make mention.

Mr. Speaker: Does the minister recall? Is that the question?

[10:30]

Mr. B. Newman: Would the minister review the bill I introduced, amend it if necessary, and introduce a bill of his own so that the consumer could be assured of individual item pricing in addition to the use of the electronic scanning device?

Hon. Mr. Drea: Mr. Speaker, I am very familiar with the bill introduced by the member for Windsor-Walkerville. As a matter of fact, he is one of the people I intend to consult in the program that hopefully will be developed with the assistance of the Consumers' Association of Canada, the trade unions and other people who were involved in the original consideration of electronic cashouts.

I should say for the benefit of the House, that there were guidelines developed. Unfortunately, those guidelines were never adhered to. One of the particular guidelines never adhered to was that there would be a test of this for the individual consumer. That really has never been done and that particu-

larly concerns me. I'm not talking about individual price.

What I intend to do will be to consult particularly with the member for Windsor-Walkerville.

An hon. member: Where is Sidney Handleman when we need him?

Mr. Swart: By way of supplementary, may I ask the minister does he not realize that the universal product code and scanner can be introduced, yet still have the individual price marking and still have a saving of 80 per cent? Does he not agree that the elimination of the individual product-price designation will make it easier for the supermarkets to raise the prices on old stock and existing stock—and indeed, make it more difficult for the consumer to be aware of price increases from one week to the next?

What is he waiting for? Will he or will he not bring in legislation to require that each item continue to be designated as to price?

Applause.

Hon. Mr. Drea: There's a burst of applause there. You may be somewhat cautious about it in a week or so.

First of all, whether the price tag is on the individual item going through the scanner or not has absolutely nothing to do with the price of the commodity. That has been demonstrated in virtually every state of the United States, where during the past couple of years—

Mr. Swart: It's a pretty good arguing point to the consumer.

Hon. Mr. Drea: —or maybe longer they have been considering and looking at this matter.

There is also an argument that not having to affix the price on every item is a considerable saving in labour and therefore should be passed on. I suggested to the honourable member last week he might want to talk to the union about it. That has been disproved.

The fundamental and basic issue that is involved—

An hon. member: Is consumer protection.

Hon. Mr. Drea: —is a person's right to know at the checkout counter, in a manner acceptable to the person—

Mr. M. N. Davison: Why don't you assure that right?

Mr. Warner: Put it on the shelf first.

Hon. Mr. Drea: —what the price of the product is.

Mr. Swart: It's the same as on the shelf, Frank.

Hon. Mr. Drea: That is precisely the matter, as I said in my reply to the first supplementary, we are looking at now. I will tell the House, there is a wide divergence of opinion. I understand California had a law requiring it. Now California's letting it go.

Mr. Swart: Between those who want consumer protection and those who don't.

Hon. Mr. Drea: I have no real interest in California. Michigan, by the same token, is strengthening its law. Connecticut is changing. Texas is changing. Frankly, I think we're in a very good position. There's been a wide and very thorough examination in a very comparable, if much larger area.

Mr. Conway: How about Afghanistan?

Hon. Mr. Drea: As I said before, I want to consult with the member for Windsor-Walkerville and I will be coming back to him very shortly.

I may say also, just to avoid this day after day and save the House some time, that this is the number one priority of the federal minister. It was discussed at the Dominion-provincial consumer ministers' conference two or three weeks back in Newfoundland. I think that answers the entire gamut of questions.

FOREIGN INVESTMENT

Mr. Cassidy: I have a question for the Minister of Industry and Tourism.

Given that the Foreign Investment Review Agency annual report has now confirmed what we were telling the minister back in June, that the key target industries for foreign investors are in the fields of high technology, could the minister tell us whether this government's procedure of reviewing those FIRA applications has recognized that pattern, and if so, why the government hasn't stepped in to stop those kinds of takeovers?

Hon. Mr. Grossman: Just to put the FIRA statistics in some clear perspective, which is not to understate our concern about the situation—

Mr. Swart: It's your perspective that's not clear.

Hon. Mr. Grossman: —of the cases the FIRA reports referred to, approximately 50 per cent of all those high-technology applications were new investments. In other words, it related to a foreign firm bringing new technology into this country which wouldn't be here but for that decision to open up some sort of operations.

Secondly, of the remaining 50 per cent of the applications, 50 per cent of those again were ones which involved indirect takeovers. In other words, half those firms were already

owned by foreign firms and it was a question of one foreign firm buying another foreign firm and this involved a subsidiary which was already extant in Canada. So that deals with 75 per cent of those cases.

Just so that we understand, lest the impression abound that $1.6 billion worth of assets were otherwise lying here and have been purchased by foreigners through the FIRA process, that would be grossly overstating the case.

Against that background I want to assure the member I am quite concerned about the situation. Obviously we have a major challenge, which is to get the research and development here which will cause that technology to be created and established here.

I would point the member to the Employment Development Fund, which has already guaranteed two or three quite major projects with a high level of risk, I might say. The time might come when I may stand in this House and have to explain why we guaranteed many millions of dollars to support some firms that were really taking a bit of a flier in terms of research and development in high-technology industries. So we have that concern.

I would finally say to the member, the FIRA review process is under way. We are playing a major role in terms of letting Ottawa know about our concern and obviously the high-technology concern is a very high concern of ours here in Ontario.

Mr. Cassidy: Supplementary: Since the minister states there is a high concern about high-technology industries in which foreign investments and takeovers are taking place, can the minister explain why in the first eight months of 1979, 71 per cent of the foreign investments and takeovers here in the province of Ontario were in those same high-technology industries singled out by the FIRA annual report?

In other words, why is the proportion of high-technology takeovers and investments from abroad in this province even higher than FIRA reports for the country as a whole? Since that is the case, how can the minister continue to claim that this government is carefully monitoring what is happening in the takeover field?

Hon. Mr. Grossman: When you get a situation where this province is the location of many of these high technology applications, what it does mean is that if FIRA has obtained the proper undertakings, it is having some direct benefits for this province. I am not unhappy about a situation where, if there is a lot of high technology in this country, it happens to occur in Ontario.

Of course, one of the direct benefits often obtained as a result of FIRA undertakings is that a fair number, in most cases a very high number, of Canadians become very skilled in that high technology. They understand it, they learn it and they acquire an extreme ability in it.

Secondly what one often finds in these situations is that downstream commitments are given by these high-technology companies for sourcing in Canada, which again allows these high-technology firms to encourage and establish feeder industries in the high-technology areas.

To sum up, the fact they occur in Ontario may be of some assistance to us in our efforts to build up our high-technology industry, provided the Foreign Investment Review Agency undertakings obtained in those cases the honourable member is talking about are sufficiently strong to reach our goal.

Mr. S. Smith: Since I am sure the minister would agree our poor manufacturing record is in large part due to our branch-plant situation and since high technology represents, I am sure in his view as in mine, our best hope for the future in manufacturing, why does the minister tell this House with apparent equanimity that in 50 per cent of the cases these were new businesses established here under foreign control and that was the only way we could have got the technology in the country?

Why does he continue to regard Canada as technology poor? If there is an essential form of technology we have to have from abroad, why don't we get it under licence? Why doesn't this government have a policy to encourage Canadian companies to obtain these technological processes under licence so we can become expert in their application and so we don't have to import the foreign capital and the foreign ownership just to get some of the essential technology?

Why does he continue to regard us as technology poor and having to depend on the rest of the world? That's how we got into this mess in the low-technology areas and we're going to get into the same mess now in the one remaining hope we have.

Hon. Mr. Grossman: When the Leader of the Opposition talks about how we got into this mess, he should remember one of the ways we got into this mess, as he refers to it, is by adopting these protectionist tariff loads this country had for many years and about which the Leader of the Opposition has

spoken in quite glowing terms, as a policy this country should go back to.

Mr. S. Smith: Well, tariffs caused this. But taking them away won't cure it.

Hon. Mr. Grossman: He wants to go back to it.

Mr. S. Smith: Once the disease has been established you have to live with it.

Hon. Mr. Grossman: I say to the Leader of the Opposition, having himself acknowledged that's how we got into this situation, I would presume he wouldn't suggest that's how we ought to get out of this situation. It caused this situation. The way we improve it is not to maintain those policies which got us into this poor situation.

Mr. S. Smith: No, that's not true at all.

Hon. Mr. Grossman: Having said that, may I say to the Leader of Opposition, if he wants to hear it, I do of course agree high technology is the way out of our manufacturing problems. Manufacturing, as he well knows, has picked up quite substantially over the last year or two in this province and it isn't quite as bleak as he likes to paint it.

Mr. S. Smith: Because the dollar fell.

Hon. Mr. Grossman: No, it wasn't simply because of the dollar.

Mr. S. Smith: Yes, it was.

Hon. Mr. Grossman: To deal directly with the question of licensing, which is the only part of the question which really had any bearing on the situation we were discussing, this government is doing quite a bit to encourage the acquisition of this technology by licensing. A fair amount of the time the Premier and I spent in Europe last month and a fair amount of the time I have spent in nine or 10 other countries since I took this job—

Interjection.

Hon. Mr. Grossman: —was precisely aimed towards acquiring that technology by licensing. We are pretty optimistic that we have succeeded in several cases in acquiring that licensing. It is, in simple terms, a goal of this government.

With regard to the FIRA applications, one must remember FIRA is there precisely to try and shift those applications around to ones which provide the maximum benefit. Before the Leader of the Opposition presumes FIRA has ignored the licensing side he ought to inquire further with Ottawa as regards the specifics of those applications because I can assure the member that is something both this province and Ottawa tries to obtain from those firms when they first apply.

The question ultimately becomes, if one ascertains the firm's choice is to decide to keep its ownership and use of its technology and locate in another jurisdiction, or proceed here through the mechanism they have offered, that they want to come in, then I believe that FIRA is right in not saying to them, "I'm sorry, it's licensing or nothing."

I am sure the Leader of the Opposition would see some sense in that position. One strikes the best deal one can, but one doesn't blindly say it's this or nothing, because too many times one ends up with nothing. I think FIRA is not striking a bad deal in very many of these cases, but I don't want to suggest the FIRA operation is perfect. It isn't, and that's why the review is under way.

[10:45]

Mr. Cassidy: Supplementary, Mr. Speaker: Given that the minister at least acknowledges that FIRA could be used in order to get greater benefits from those investments or to stop investments that are harmful to Canada, despite Ontario's failure to use that approach will the minister undertake that Ontario will oppose any effort by the new Conservative government in Ottawa to get rid of the Foreign Investment Review Agency? And if FIRA is disbanded by the federal Tories, will the minister say what Ontario will put in its place in order to ensure we do get some benefits from investments rather than continuing to see the industry of this province sold out to foreign interests?

Hon. Mr. Grossman: I might remind the leader of the third party, who is always critical of FIRA, that one of his associates, Max Saltzman, was recently quoted as saying: "People who criticize it"—FIRA—"are playing into the government's hands. FIRA has made it difficult for many foreign companies because they have insisted that any development should have net benefits to Canada. FIRA has laid down the rules. It has forced investors to come back with other proposals." Max Saltzman.

So I think the member should deal with his criticism in the context of the advice he has received from Max Saltzman. Our discussions with the federal government would not lead me to believe they are seriously considering abandoning FIRA at this time. I believe they see some significant benefit to having it in place. I think it has created significant benefits for this country and can create significantly more benefits if the process can be streamlined and a better focus brought to its activities.

ANNETTE BARNES

Mr. Conway: My question is to the Provincial Secretary for Social Development and it concerns the truly unfortunate condition in which Mrs. Annette Barnes of Scarborough finds herself this very day.

In view of the fact that recent press reports in the city of Toronto and an editorial indicated a happy ending to that situation had been arrived at because of an intervention of the Ontario Ministry of Health with London Life to provide for insurance coverage for her Flexical, the food substitute required to deal with her very serious disease, can the minister explain how it is that as of 10 o'clock this morning. Mrs. Barnes had not heard from the Ministry of Health? She had never heard from London Life. Can he explain how London Life's head office has no knowledge of Mrs. Barnes and her particular problem and that, quite to the contrary of what is suggested in yesterday's press account, London Life has made no commitment whatsoever to bring about the happy ending spoken of in the same press account?

Is the minister aware of these developments? Can she explain how such an incredible situation could have ever developed in the first place and how it could still be the case as of 10 o'clock this morning?

Hon. Mrs. Birch: Mr. Speaker, we discussed this particularly sad case yesterday. We were assured that London Life were looking after not only the present costs but the past costs she had incurred. We were assured that it had all been looked after and I am very surprised to hear the results the member has expressed this morning. Most assuredly we will look into it right away.

Mr. Conway: And in the course of that assurance, will the minister undertake to communicate with Mrs. Barnes exactly what it is she is doing on her behalf so she will not remain in such a troubled condition at home in Scarborough, being completely misled by what is alleged to having been done in her name?

Will the minister furthermore give a commitment, in the name of the so-called world's best health-care system, that these kinds of situations—the Barnes case; earlier this summer the case of young Christopher King from Georgetown—which require very special attention and very special coverage, can be dealt with by means of a mechanism that would be substantially better than having the whole business paraded on the front pages of the metropolitan dailies? Will she give an assurance that the sort of mechanism I have spoken of will be developed so we don't have to put the people in question through this kind of humiliating situation?

Hon. Mrs. Birch: Mr. Speaker, I am very sympathetic to Mrs. Barnes and to others who find themselves in that position. I think it's unfortunate her doctor did not get in touch with the Ministry of Health and perhaps all of this unnecessary publicity would not have happened. I certainly do make a commitment that I will be in touch with Mrs. Barnes immediately to find out what we can do to help.

UNIVERSITY RESEARCH

Mr. Cooke: I have a question for the Minister of Colleges and Universities. In view of the fact that in the white paper issued by the Ontario Council on University Affairs, System on the Brink, they express some very serious concerns about the research capacity of Ontario's universities and indicate that the research capacity is on the decline, what policy changes does the ministry intend to take to correct this situation?

Hon. Miss Stephenson: I am not at all sure that the honourable member is suggesting that the government of Ontario should establish policy for the universities themselves, in terms of their research capability and their research function. I think that is not what he is suggesting.

I think what he is asking is whether indeed the question which has been raised about us being able to attract and keep young researchers within the university system is the issue at hand at the present time. I would remind the honourable member that the funding mechanism which has been established for universities and which has provided them with protection during the period of declining enrolment—which is obviously going to continue for a short period of time at any rate—has provided a buffer and a specific segment of funding directed towards research.

We have had some interesting and stimulating conversations with representatives of the governing councils of universities, with the members of staff of universities, and are aware that those people are now beginning to understand that they themselves, in addition to the ministry and government, must be more aggressive in their pursuit of the goal of information provision to the business community, the manufacturing community and government, that they must indeed make those areas of our economy much more understanding of the capacity of our univer-

sities to serve them effectively through the research function.

All of this is going on at the present time, and I am trying to play a small part in it, as well.

Mr. Cooke: Supplementary: Has the minister yet read the presentation made by the University of Toronto Faculty Association to the justice committee on Bill 19? Is she aware of the comments by Dr. Carver and Dr. Polanyi that researchers are leaving this province to go to the United States and the western provinces, where there is more money for research?

They also indicated that because of the low operating grants provided to the universities in this province, federal research money is having to be used to buy equipment and for other functions within the university that would have been supported by operating grants in the past. They also indicated that the quality of research in this province, as well as the quantity, is on the decline.

Is the minister aware of those problems in the universities? Instead of putting the responsibility on the private sector, is she prepared, as the minister responsible for this sector, to provide extra money to the universities so that we don't lose out to the western provinces?

Hon. Miss Stephenson: We do not have a heritage fund. We don't have several billion dollars which can be distributed in that way, and it would be very pleasant to have it. But, as I said earlier, I would remind the honourable member that the entire method of funding universities has taken into account the validity and the value of the research capacity within Ontario universities and that is most certainly going to continue to be supported.

We are also exploring ways in which the capacity of the university research departments to function on behalf of the development of public policy may be exploited in the best sense of the word.

HEPATITIS OUTBREAK

Mr. Peterson: I have a question for the Provincial Secretary for Social Development in the continuing absence of the Minister of Health (Mr. Timbrell). It has come to my attention through several sources that there is an unusually high incidence of infectious hepatitis in southwestern Ontario, as well as one confirmed case of leprosy. Is the ministry aware of this, is this in fact true, and what is the minister doing to monitor the situation?

Hon. Mrs. Birch: No, I am not personally aware of that, but I certainly will take it under advisement and have the minister respond on Monday.

INHALING OF HARMFUL MATERIALS

Mr. Renwick: I have a question for the Minister of Education. Given that I am distressed about the death of the young woman in Riverdale riding on the sniffing of Pam cooking oil, can the minister—without putting it out of perspective as to any kind of province-wide epidemic—tell the House what the position of the minister is with respect to educational programs in schools about the use of glue and other sniffants by adolescents and others?

Hon. Miss Stephenson: Mr. Speaker, there has been a concerted effort in the last several years to include within the health/physical education curriculum and the family studies curriculum a means of increasing the knowledge of young people of the dangers of the use of a number of materials, including those in common use within households or for a number of activities.

I must admit it was directed primarily towards those drugs which are considered to be psychotropic and the other more commonly used materials, but it has been expanded in many areas, particularly within the inner-city area of Toronto, where I believe the board has done an excellent job of broadening the educational guidelines to ensure that the appropriate materials are included.

I think that program is being presented in almost all areas of the province right at the moment. I know that it is being presented regularly within the urban schools of this province. I suppose the difficulty is that, like so many other things, young people and adults tend not to listen, to hear and to absorb those things which don't have any immediate import for them. Unfortunately I believe many of the young people, although they're exposed to the educational program, really pay scant attention to it.

I don't know at this point, because I'm not an expert in communications, how we can increase the effectiveness of the program. All kinds of aids have been used. All kinds of materials have been developed. Voluntary agencies with specific concerns about this have been of assistance to boards in many areas in providing really excellent programs. Somehow the message does not seem to get through in certain instances. I can only suggest that we'll keep on intensifying the efforts in order to try to get the message through.

Somehow I believe we have to get the message through to parents as well that the real responsibility lies with them for ensuring that those young people who may in fact be experimenting can be supported in the appropriate emotional way at any rate. The parents have to be aware of their responsibility and be capable of doing something about it.

Mr. Renwick: By way of a supplementary question, and at the risk of sounding platitudinous, will the minister make some effort to restate publicly the concern that she has expressed here about the communication process in the educational system with respect to these matters and about the need for the parents and teachers combined to endeavour to contain this particular custom before it spreads any further?

Hon. Miss Stephenson: Mr. Speaker, I believe the information which has been developed would demonstrate to us that it's not spreading. In fact, it is contracting generally, but it seems not to be disappearing totally in certain areas. I would only underscore the concern expressed by the member for Riverdale. It is a matter which is of grave concern to me and I intend to keep on speaking out about it as I have been for the last several months.

DEER HUNT

Mr. Riddell: I have a question to the Provincial Secretary for Resources Development. As the member representing a senior portfolio in cabinet, will he insist that the Minister of Natural Resources (Mr. Auld) cancel for this year the deer hunt which is scheduled from November 5 to November 7 in Simcoe county in view of the fact that the amendments to the Trespass Act have not yet been passed, and the county federation of agriculture, the Ontario Federation of Agriculture and Simcoe county council have all passed resolutions opposing this three-day hunt?

Hon. Mr. Brunelle: Mr. Speaker, I will be pleased to bring this matter to the attention of the minister. He will be here next week.

[11:00]

CREDIT INTEREST RATES

Mr. Renwick: Mr. Speaker, my question is for the Minister of Consumer and Commercial Relations. Given that the chartered banks are under federal control and not under the control of this government; and given that the banks have sold the Chargex system of revolving credit to the consuming public; and given that the banks' profits for 1978, over 1977, have gone up by some $231 million, an increase of over 34 per cent; and given that the banks have now finally gone to the basis of the daily calculation of credit, will the government of Ontario take a position with the federal government and with the Bank of Canada to influence the chartered banks not to increase that revolving credit interest rate from 18 per cent to 21 per cent, and to quash before it gains any credence whatsoever the recent proposal that they may introduce a 50-cent customer charge each time one uses one's Chargex card?

Hon. Mr. Drea: First of all, as the member for Riverdale has pointed out, chartered banks are exclusively a domain of the federal government. Second, the remarks I am going to make may or may not fit into the category of government of Ontario.

I have made, and I am making, some informal representations—by informal I mean direct personal contact—with my federal counterpart concerning the rise from 18 per cent to 20 or 21 per cent. I must admit I didn't know about the prospect of the 50-cent charge, but I will make representations on that as well.

Interest rates in the consumer area, which is under my ministry, are of very great concern to me.

Mr. Conway: Tory times are tough times.

Hon. Mr. Drea: No, Tory times are good times.

Mr. Conway: Bring back R. B. Bennett.

Mr. Mackenzie: The banks want it both ways.

Hon. Mr. Drea: Tory times are good times, and it is in that environment and milieu that I have been making some representations.

I have stated I am very concerned about interest rates and their impact in areas under my jurisdiction. As the House knows, prior even to the latest increase by the Bank of Canada I had to move orders in council to put the credit unions of this province in a position even to lend; I had to raise the cap on their interest ceilings.

It would seem to me that in an era of restraint—and this is my view—the chartered banks of Canada should exercise a considerable degree of restraint in combating inflation. If they found that 21 per cent was not acceptable late spring, when at least one of them ventured that proposition, then I would think in the short term in fighting inflation they can make their contribution by holding the present costs of commercial credit cards at that position.

Mr. Speaker: The answer is starting to drag a bit.

Hon. Mr. Drea: Mr. Speaker, it was a very involved question. I have given an answer.

Mr. Renwick: By way of a supplementary question, will the minister consult with his colleagues and make it a decision of the government of Ontario to condemn any proposed user charge of 50 cents or any other amount with respect to the Chargex card?

Will the minister inform the chartered banks, his colleagues in Ottawa and the governor of the Bank of Canada that in his opinion, as it is my opinion, there is no connection necessarily, by mythology or otherwise, in any hierarchy of interest charges between a revolving credit charge in the use of the Chargex card and the Bank of Canada rate, whatever influence that may have on other interest rates?

Will the minister therefore condemn the two practices and tell the chartered banks that is not an acceptable practice for consumers in Ontario? Will he table in this House profit reports from the five major chartered banks about the profits they have made on the Chargex system already?

Hon. Mr. Drea: Certainly I will table it, but bear in mind they may be under no obligation to furnish me with that information. If it is available, I will table it. If it is not available to this province I will ask the appropriate federal minister to see if we can have it. It's a very broad-ranging commitment the member asks me to make. I will bring it down very simply.

I think I have already communicated to the chartered banks through this assembly, at least those involved with one of the two commercial credit cards—what's the orange one, Master Charge? I use the other one.

Mr. Speaker, I don't think it's a question of condemning. I think it is a question of saying that in an era of restraint the chartered banks should play their role in combating inflation, in making sure there is not a drying up of the consumer markets, so that my colleague, the Minister of Industry and Tourism (Mr. Grossman), can make further advances towards employment and developing a Canadian market. I will do so.

NIAGARA DETENTION CENTRE

Mr. Bradley: A question of the Minister of Correctional Services: In view of the fact the provincial government has a policy of eliminating discrimination against women, would the minister inform the House how his policy of eliminating women from the Niagara Regional Detention Centre, and therefore keeping them away from easy access to their family, their legal counsel, their friends and their community services, fits in with this particular policy?

Hon. Mr. Walker: Our government policy with respect to women is probably exaggerated to a great degree within the Ministry of Correctional Services, because we are probably the ministry with the largest number of female employees.

I will say with respect to the Niagara detention centre the fact the female unit has been closed and the females there moved to Hamilton was due to the fact it was underutilized. A large and significant number of the women there do not come from the Niagara region but from areas somewhere distant; it was only utilized to the extent of about three people on average at any one time, with a staff of nine people. It was obvious and logical that we should move it to Hamilton where the expenses could properly be curtailed.

Mr. Bradley: When the minister adopted this particular policy affecting the Niagara Regional Detention Centre, did he take into consideration the effect it would have on provincial police services and the fact provincial police would have their time tied up —albeit the ministry usually reimburses them —transporting these prisoners out of the Niagara peninsula and thereby taking them away from other duties which may be of greater importance to the public?

Hon. Mr. Walker: Yes, that was taken into account.

LABOUR RELATIONS

Mr. Mackenzie: A question of the Minister of Labour: Would the minister take the trouble to inform the House as to whether or not he has any plans to deal with the rather serious irritant in labour relations in the province of Ontario today, which is the problem of workers' attempts to achieve first contracts following certification and the workers' rights to union security? If he has any such plans, would he give us some idea as to when we will hear the details of those plans?

Hon. Mr. Elgie: Mr. Speaker, I think it's only fair to say I share what the member is expressing, that is a sincere regret and degree of disturbance that this matter seems to be emerging at present, and as a decisive issue, in so many situations in the province; not only in first contracts but on one occasion with a second contract.

A meeting is scheduled by the Premier and myself with representatives of the Ontario Federation of Labour early in November to discuss wide-ranging matters dealing with labour relations. I certainly expect that will be one of the issues raised at that meeting. I would anticipate discussions will take place following that meeting.

Mr. Mackenzie: Supplementary: I appreciate the fact there is going to be a meeting to discuss it. I think that ties in with the annual brief of the federation. What I'm really concerned with is whether the minister himself, or his ministry, has made any specific plans or considered any legislation in these two fields, that are a serious cancer and not just an irritant. When can we expect to hear details of what the ministry might be suggesting in this area?

Hon. Mr. Elgie: I think I have indicated that it's an issue that disturbs me and disturbs this ministry. As a result of discussions that will take place following the meeting in November, I would expect that it will receive further attention.

Mr. Mancini: Supplementary: Concerning the question of first contracts, I almost assume from the minister's answer that we will be seeing legislation in the future which will bind the union and the management into a first contract. In view of the fact that across Ontario this is the number one labour problem, allowing bad feelings to fester for many years, I would hope the minister would take action after that November meeting. Can we assume that he will?

Hon. Mr. Elgie: Actually, the bulk of the conversations I've had with the member for Hamilton East in this discussion have related to the issue of union security. The issue of binding first-contract arbitration is a different issue, although some see it as tied in intimately with the question of union security. As the member knows, there are some jurisdictions in this country that have introduced such legislation. I'm not at all satisfied from present reviews of it that they have accomplished much. However, I'm open to further review and discussion on it.

Mr. Cassidy: The minister is satisfied with what's happening in Radio Shack?

Hon. Mr. Elgie: That is all I can add at the moment.

INTRODUCTION OF BILLS

REGIONAL MUNICIPALITIES AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 152, An Act to amend certain Acts respecting Regional Municipalities.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, this bill contains a number of amendments to the regional acts. It will be my intention in a few minutes to move that Bill 114 be taken off the Order Paper and this bill will replace it. It contains all the amendments that were in Bill 114, now on the Order Paper, except for two. Those two deal with solid waste sites in the regional municipality of York and certain library board matters in the regional municipality of Ottawa-Carleton.

However, several new sections are added to this bill that are not in the present Bill 114. Some of these pertain to matters such as giving each region ability to purchase or rent machinery on a long-term basis. Every regional act is to be altered to provide that the minister may request the Ontario Municipal Board to defer applications for changes to area council composition or wards when there is an inquiry in process. This is a provision similar to that in the Municipal Act.

In Sudbury and Haldimand-Norfolk, where the region has all the planning powers, the region will be able to collect the cost of works ordered by the chief building official under the Building Code Act through the area municipalities. In Peel, the area municipalities will be able to participate with the region in industrial promotion, and an order establishing the Mississauga library board is being validated.

I might also say that this bill does not contain the amendments requested by the regional municipality of Hamilton-Wentworth on store hours. They will be presented in a separate piece of legislation.

[11:15]

MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 153, An Act to amend the Municipality of Metropolitan Toronto Act.

Motion agreed to.

ORDERS OF THE DAY

REGIONAL MUNICIPALITIES AMENDMENT ACT

Hon. Mr. Wells moved that the order for second reading of Bill 114, An Act to amend

the Regional Municipalities Act be discharged and that the bill be withdrawn.

Motion agreed to.

House in committee of supply.

ESTIMATES, MANAGEMENT BOARD OF CABINET

Mr. Chairman: Does the minister have an opening statement?

Hon. Mr. McCague: Yes, Mr. Chairman. The Management Board of Cabinet is most frequently described as the general manager of government. In this context, its chief responsibility is to ensure that the management system in place in the Ontario government is as efficient, effective and economical as possible.

The two arms of my ministry provide staff support to the board to assist board members in discharging this mandate, bearing in mind always the delicate balance between ministerial accountability and central agency control.

In assessing how well we have achieved an appropriate balance between these two forces in Ontario, it is useful to refer to the federal report of the Royal Commission on Financial Management and Accountability which was tabled in the House of Commons in April of this year.

The report contained 165 recommendations for strengthening the system of control and accountability within the federal government. As I said in a statement in this House soon after the report's release, the thrust of the commission's recommendations is consistent with action this government has taken over the past five years to strengthen our management process.

Naturally, not all of the proposals the Lambert commission has made are relevant to our situation. Provincial legislation and the practices of this House respecting financial administration differ from those at the federal level. In many respects the report is the prescription for someone else's ailments. Nevertheless, much of it represents sound management practice and is universally applicable.

Many of the recommendations are aimed at improving the system of accountability and control. As early as 1973, this government took steps to ensure that in Ontario managers would be accountable and that adequate central control could be exercised; this is the purpose of managing by results.

At the outset of each year program managers are required to quantify the expected output of their programs. These projected results are reviewed by management board, together with the funding requirements as set out in the estimates. This is the foundation of our control system and is similar in many respects to the model proposed by the royal commission.

Of course, we are continuing to refine and improve the MBR approach to program management to ensure its use as a management tool, capable of accurately measuring value for money. At present 95 per cent of government programs are covered by this approach.

Another significant part of the commission's report deals with crown agencies. The commission proposes that the federal crown agencies should be categorized according to function and that a clear statement of objectives should be prepared for each one. Again, this recommendation mirrors current practice in Ontario.

Each of the provincial agencies has been placed in one of four schedules, depending upon its role and relationship with the government. The degree of control the government exercises over its agencies is determined by the category into which each individual agency has been placed. Many of them are subject to the same controls as ministries, others are subject to lesser degrees of control appropriate to their role.

Management board has continued to develop, in conjunction with the Agency Review Commission chaired by the Minister of Government Services (Mr. Wiseman), new policies and procedures relating to the administration of the government agencies, boards and commissions.

New policies will shortly be published in the manual of administration which will assist in ensuring that agencies are created and managed in an effective and efficient manner. One specific matter will be the extension of the current policy of memoranda of understanding. These documents spell out in some detail the relationship between the agencies and their respective ministers. At present approximately 20 agencies are required to prepare memoranda but, as a result of a recent cabinet decision, memoranda will now be developed for a further 90 regulatory and operational agencies.

Recognizing the basically sound state of the art of management in the Ontario government does not mean we are complacent. The restraint and deregulation environment of our times dictate that we must respond in a creative, innovative fashion to the special demands now placed upon us. Consequently, my ministry has undertaken several new initiatives this year which will contribute to

an improved management system within the government.

The secretariat conducted a comprehensive review of the elements of the financial control system as administered by my ministry. This review resulted in recommendations for rationalizing, simplifying and clarifying certain aspects of the system. These proposals are currently being discussed with ministries and an implementation plan is being prepared.

In the area of administrative policy, the board has recently endorsed a proposal that a comprehensive review of volume one of the Manual of Administration be undertaken to ensure our administrative policies are clear and that the controls that form part of the existing policies are appropriate. This complements a similar review in which the commission is engaged on volume two of the manual.

To provide an overview for some of our specific endeavours, a small interministry working group has been struck to examine the various elements of the management process currently operative in the Ontario government and to determine areas where improvements could be made to increase the efficiency and effectiveness of our management system.

Concurrently, the role of the operational review branch will be reviewed to assess how the resources of this small but effective unit can be best used to assist the ministries in the continued development of good management practices.

A subject of considerable interest to the House in the past was the manpower control system first introduced in April 1977. You will recall it is composed of three elements: (1) an annual salary and wage control; (2) a classified staffing control; (3) a staffing system.

Based on nearly two years of experience with this new approach the secretariat, in consultation with the ministries, decided to review it to determine whether it was operating as effectively as possible.

The general conclusion of this review of whether the system was operating successfully was it was having the desired effect of controlling classification creep, and the cost control and the size of government manpower was effective. It was recommended the system continue in its present mode.

To ensure manpower deployment remains effective and efficient and productivity improvements continue to be made, we are developing additional manpower strategies to complement our current control system. Our prime objective is to make certain that complement levels are maintained as a result of new programs.

Before leaving the subject, I would like to point out that since management board's superstructure reduction program was established in January 1976, the number of executive positions across the government has been reduced by approximately 100. This is 15 per cent of the executive positions that existed in 1976, and is a significant reduction in view of the new programs such as children's services and the Ministry of Northern Affairs. Management board will ensure the continuing control on the numbers of civil servants is reflected at the executive level.

Management board continues to apply a knowledgeable scrutiny and promotion of those management techniques and technology demonstrated to be successful elsewhere. Technology investments are monitored on a project basis using a standard methodology to ensure maximum payback and continued effectiveness as well as efficient delivery of services and programs.

The application of technology to government operations is progressing steadily. To ensure government programs are well served, a strong emphasis is placed on the attraction, development and retention of skilled staff in high technology areas. In addition, ministries and management board have the benefit of the advice of an ongoing committee of 11 deputy ministries, chaired by the secretary of the management board, whose prime focus is the optimum management and use of systems technology in the Ontario government.

In the same vein, management board, through the organizational policy branch, encourages ministries to examine the efficiency of their current organization structures and the extent to which they facilitate program delivery. In this context, I should mention that management improvement programs have been established in several ministries.

Management board has also made some modification in its requirements for management board submissions to assist in the general streamlining of cabinet documentation across government. For example, in support of cabinet's decision requiring economic impact statements and communications plans to be filed with all cabinet submissions dealing with new or revised program proposals, legislation and complex regulations. Management board instituted the same requirement for their submissions.

This practice has not imposed any additional reporting burdens on ministries as this same information is normally required in the subsequent submissions to cabinet. It does

provide more consistency and aids in the decision-making process at all levels.

Of course, as the chief proponent of results based management systems, the proof of our efforts to improve the management environment can be found in the results we have been able to achieve.

I am pleased to say for the fifth consecutive year, Ontario has reduced its spending growth rate and for 1978-79, came in under the target allotted for government expenditures.

The total estimated expenditure for 1978-79 of $14,555,000,000 was reduced early in the year by $73 million, related to the OHIP refinancing, to a revised expenditure level of $14,482,000,000. The actual expenditures for the year amounted to $14,413,000,000, representing a reduction of $69 million from the revised target. All expenditure increases approved during the year, including $161 million in supplementary estimates and $64.8 million in management board orders, were fully financed from internal constraints and savings identified during the year.

With regard to the latter point, I would further like to note that over the last five years the number and value of management board orders approved has generally been declining as reflected in the following figures. In 1974-75, the total number of MBOs was 163, at a total value of $235.5 million, whereas for 1978-79 the total number approved was 50, at a total value of $64.8 million.

The approval of special warrants has been very infrequent over the last five years, with none being approved in 1978-79.

[11:30]

The government is continuing to work towards the objective of a balanced budget by rigorously monitoring expenditures to ensure that the annual expenditure ceiling is not exceeded.

In June, constraints totalling $114.2 million were approved to offset necessary expenditure increases in order to stay within the approved expenditure ceiling for 1979-80 of $15.558 billion. The constraints included specific program reductions of $49.1 million, a general five per cent constraint in direct operating expenses totalling $30.1 million, and a reduction in the budget of the Employment Development Fund of $35 million.

With increased emphasis being placed on productivity improvement in the public service, as well as the private sector, we are able to maintain levels of service while truly accomplishing more with less. Credit for these accomplishments must rest with dedicated civil servants who manage their programs to gain maximum value for money in these times of restraint.

I want to turn to the other important aspect of my ministry, that of the Civil Service Commission. I have reviewed my responsibilities for fiscal matters. Within my ministry, there is the management of the working lives of the people who provide the programs and services of the government.

I would point out that it is not my intention at this time to speak at length about the separate programs within the Civil Service Commission. Rather, I want to indicate several important directions which have been taken to find a balance between the need for staff to provide government services and the need to provide sound financial management of our provincial funds.

For example, I mentioned earlier the controls on the size of the provincial staff. The purpose of all our efforts with respect to manpower control is to ensure that despite the introduction of new programs and improved services by government, the size of the civil service will not grow. The implications of these actions for the individual employees become the responsibility of the Civil Service Commission.

During the past several years, many of our employees have experienced significant changes in their working lives because of such things as the introduction of new programs, administrative changes, continued efforts to improve efficiency, reduction in the size of some programs, changes in priorities, and in some cases even the closures of some facilities.

Mr. Chairman, to minimize the effect of these changes, the Civil Service Commission has developed a surplus policy designed to provide optimum conditions for the relocation of these employees. Last December, and subsequently in April 1979, the chairman of the Civil Service Commission imposed a partial suspension of the normal staffing process. These actions were taken to assist in relocating surplus employees who are given preferred consideration for vacancies before other applicants are considered.

The delegation of recruitment authority to ministries for all classifications except executives and personnel administrators, has changed the priorities of the Civil Service Commission from actively recruiting for all government vacancies to ensuring that ministries are equipped to assume this responsibility.

The Civil Service Commission has continued to meet its responsibilities under the Public Service Act through ongoing pro-

grams combined with the development of new initiatives. For example, I would note a few which indicate the wide range of involvement: The ongoing update and simplification of staffing policy, maintaining an inventory of qualified people who are interested in joining the Ontario public services, and particularly introduction of a program of training designed to improve the recruiting knowledge and skills of personnel administrators and line managers in the ministries.

The training program has received widespread and enthusiastic acceptance by the ministries. Workshops are already booked into the next fiscal year. These workshops, combined with information booklets, are designed to enable the manager to hire the person best suited for the job.

Mr. Chairman, it is important to note that effective recruitment is vitally important in a time of restraint to ensure continued delivery of programs and services.

The Civil Service Commission is also interested in the use of performance appraisal as an important element of the management process. Performance appraisal involves an understanding between an employee and supervisor about the expectations of the job. The objectives of performance appraisals include improved understanding of organizational objectives, improved communications and work relationships between employees and managers, and assistance to employees to develop in their jobs through coaching, counselling and training.

My intention in these comments is only to highlight aspects of the continuing work of my ministry to provide sound management practices for the people and financial resources of the government of Ontario.

Mr. Mancini: I am pleased to make the opening remarks on behalf of the Liberal Party for the management board estimates. I looked forward to these estimates, not only for the new information that is brought to light, but because of the fact that we get to hear from the chairman of management board. That certainly is a rare treat in the Ontario Legislature. If I can put it more succinctly, we have heard so little about so many important things.

The chairman of management board in his opening statement touched on many of the things I hope to touch on, but first of all I would like to give the assembly some background information concerning some of the workings in management board and some of the things that bring concern from this side of the House.

We can all remember in the provincial auditor's report of 1976-77 where it was stated that 13.4 per cent of the province's total spending took place in the month of March, which is the last month of the fiscal year. I don't believe the chairman of management board made any statement this morning concerning such large expenditures near the end of the year. In that same statement by the provincial auditor it was mentioned that one particular ministry spent 29 per cent of its budget in March.

I think that is unacceptable economic policy, where 29 per cent or 30 per cent of a total ministry budget can be expended in one month. There is a very good reason why these things happen; the reason is that in government and in other institutions today in our society if the manager of the department doesn't see fit to spend all of his budget he is going to be looked at with a jaundiced eye when he goes in to renew his budget. He assumes, therefore, that his future budgets will be cut because he wasn't able to spend his total allotment. I think that idea has penetrated all levels of government, school boards and other areas where public money is being used.

I say this type of attitude should be looked at with a view to getting rid of it. Managers of departments must not feel they are going to be penalized if they are able to get the job done frugally. There is a way of getting around that, and that is by allowing the managers to carry over their budgets if they have a surplus.

The chairman of the management board may or may not feel this can be done, but certainly he should have some information available to inform the House as to why this could or could not be done. I am sure with all the expertise he has in his department—I see some of them under the Speaker's gallery, and I bid them welcome—

Mr. McClellan: Same old gang.

Mr. Mancini: That's right, some old gang. I'm sure with all the expertise he has in his ministry some type of pilot project can be started where managers will not be penalized if they aren't capable of spending their total budgets.

Following along the same line I turn to page 91 of the provincial auditor's report dated March 31, 1978. We can see that even the chairman of management board himself is guilty of this same practice. The chart on page 91 says, "By way of additional information, the management board orders in respect of the 1977-78 fiscal year have been summarized by month of issue." So now we're

talking about the minister's own management board orders. We look at July 1977 where there is an expenditure or management board orders of $50,000 which represented 0.3 per cent of the total management board orders in dollar terms.

We go to December where the total is $785,000 which represents 0.45 per cent total dollar expenditure from management board orders. When we get to the month of February we see $4,612,700, for 2.65 per cent expenditure. Then we come to March, the last month in the fiscal year, and we see 29 management board orders. I believe the total there is $143,016,000, which is 82.26 per cent of all management board orders for the year 1977-78, as stated in the provincial auditor's report.

There is something wrong when we're all rushing in the last 30 days of the fiscal year to spend as much money as we can so that we can have the same amount next year. I bring that to the attention of the chairman of management board; hopefully we can end some of this year-end spending spree.

Mr. Riddell: It reminds me of my high school teaching days, when we had to order equipment we knew we'd never use.

Mr. Nixon: Those were the days when you had money.

Mr. Mancini: I would now like to turn to the management board's manpower control policy. As we know, this policy deals with the total annual dollar amount each ministry spends on salaries. It gives the total cost for employees and therefore should give comprehensive control of total dollars.

Second, the manpower control policy sets a limit on classified staffing and a total long-term salary commitment that each ministry can make.

Third, the manpower control policy provides ministries with the total numbers of classified employees, unclassified employees and temporary employees.

This, therefore, is a control system on cost—on actual dollars—and has nothing to do basically with the number of employees. So we want to look at that manpower control policy.

[11:45]

I would now like to go to Hansard, page 1574, where a full explanation of this control policy was given in the last estimates. I reviewed those last estimates to make sure I understood the policy clearly. The policy, when it was introduced, was introduced with lots of fanfare. This government told the public of Ontario that there would be more restraint, that it was looking after the taxpayers' money and that it would be handled well. It told them there would be a four per cent manpower control policy.

Does the chairman of management board recall that when his government introduced this control policy and informed the people of Ontario that there would be four per cent manpower control, which meant basically that salaries, wages and benefits of the civil servants would not necessarily be reduced or kept at four per cent, but that the management department in itself within the ministry could not spend more than four per cent on that particular item?

Therefore, if wage settlements went above four per cent, as is happening—and there might be good reason for that—then somewhere else in the department there would be savings to make up for that. We were told with considerable fanfare that we were going to be seeing four per cent manpower control policy. We haven't seen that at all.

What we have seen is, from March 31, 1977, to March 31, 1978, a four per cent increase in salaries, wages and benefits; from March 31, 1978, to March 31, 1979, 5.9 per cent—already your program is shot; from March 31, 1979, to March 31, 1980, they project 8.8 per cent—more than double what you proposed.

I would like the chairman of management board to show us where in the estimates these overexpenditures have been made up. I would like him to cite some specific ministries so that we can look at them and see for ourselves if his four per cent manpower control policy is still in effect, or if he has just plain and simple a manpower control policy, period, with no specific figure. I assume from the figures I have before me it is the latter that we have in effect today.

This brings me to the point of why I believe the manpower cost control system was implemented. As you may recall, previously when there was trouble within the government ranks concerning its budgetary policies there was considerable fanfare about the reduction in the total number of civil servants. That was the old system. We were told by the finance people in the government, the Treasurer, the chairman of management board and the Premier, "We are reducing the number of civil servants in Ontario. We are going to have lean government but efficient government. We are saving the taxpayers' money."

I specifically recall the famous William Davis statement made in New York. It was stated by Mr. Davis in New York that in a 34-month period the civil servants in Ontario

had been reduced by approximately 4,200. I will turn here to Hansard, page 1574. The chairman of management board will recall this in the Hansard I have referred to, which is for April 14, 1978.

This is what he told the group he addressed in New York. This was reported in Ontario as the Premier informing Ontario citizens that he was implementing a new budgetary policy and reducing the number of civil servants.

There's a very important part of the statement the Premier made that he did not make clear to the people of Ontario at that time. The 4,200 places that he said were eliminated were not eliminated at all, because the ministries deal with the complements they are allowed and the actual staff they have. I firmly believe in some ministries the particular ministries involved never reach their full complement. Their full complement is based on a figure they never hope to reach, and therefore they're able to have all the staff they need and never have to worry about any of the government's programs or supposed cutbacks.

When the Premier was in New York telling Ontario citizens in New York that his government had reduced the complement by 4,200, actually the real reduction in employees, as stated by the Chairman of Management Board of Cabinet (Mr. Auld) on April 14, 1978, was 1,988. The Premier doubled that figure, and the people of Ontario got a totally wrong picture.

That's the background of the previous policy of management board to reduce staff itself. This was brought to light by the Leader of the Opposition during one of the question periods. Now we see another new program. We're told with lots of fanfare, there is a four per cent manpower control policy. That's your statement, not ours. We supported you in that type of restraint. We see from the projected estimates of March 31, 1979 to March 31, 1980 that the manpower control policy has fallen apart. It stands at 8.8 per cent or more than double what you planned when you first implemented the program.

Another example of government expenditure which seems to take the manpower cost program into no account at all is to be found in the Ontario Place Corporation's annual report, 1978-79, dated September 1979. It states in the report, "Salaries, wages and benefits increased by $281,000 or approximately 12 per cent." That is more than three times your manpower cost control. I think we can safely say that the chairman of management board's policy of manpower cost control is working no better than the government's former policy of eliminating staff to cut government spending. It seems all we get is lots of fanfare and after a little while not too much action.

I would like to turn now to the management-by-results policy which was initiated in 1973 by the present government. It stated that the government's intention was to have year-to-year comparisons in order to determine trends in productivity and MBR was to deal with all levels of government and management. As the minister stated today, it's in effect in 95 per cent of the total budget. But the important statement is it was put in effect in 1973, the reason being that the government wanted to be able to have year-to-year comparisons in order to determine trends in productivity.

I'd like the chairman of management board to submit to the Legislature the trends. I'd like him to submit to the Legislature how this year-to-year comparison has been done and what the findings are.

I'd like to turn to the area of zero-base budgeting, Mr. Chairman. Zero-base budgeting, if I remember correctly, is approved by management board, of course, but it allows the ministries to implement this at the ministries' discretion. I have no information on which ministries and which departments in those ministries are using zero-base budgeting. I hope that management board can bring to light the different ministries and their departments which are using zero-base budgeting, what their experiences have been, and indicate if he intends to make this a new policy thrust of management board. If not, at the very least, does he plan to have any pilot projects where he might be able to report the results to the House?

I would now like to turn to the subject of agencies, boards and commissions. This has been a subject that has been debated quite a few times in the Legislature. We've received different reports on the numbers of agencies, boards and commissions. We can assume that there are between 600 and 700. We could also assume that even though there is an internal government committee many of these agencies, boards and commissions are going merrily along their own way knowing that the chance will be slim for a real government review. I must add that we have made some progress in this area.

On November 3, 1977, the leader of the official opposition introduced resolution 7, which was debated thoroughly that day, concerning the review of agencies, boards and

commissions. The resolution, which called for a real review of these agencies, was blocked by the government. As was stated by the government policies committee of the Kitchener Chamber of Commerce on sunset laws:

"In November 1977 Liberal leader Stuart Smith proposed a motion to expand the role of the procedural affairs committee so that it would have the authority to review all boards, agencies and commissions and eliminate redundancy and overlap. His motion was defeated. However, the government did appoint an agencies review committee in March 1978, an internal government committee which was to review the agencies, boards and commissions."

[12:00]

We have had statements concerning the agencies, boards and commissions by the chairman of management board. On March 15, 1979 the chairman made a statement in the House where he read the 11 recommendations that would be implemented to improve the government's relations with the agencies, boards and commissions.

I'd like to ask the chairman of management board if he recalls the statement of March 15 and if he can give us a further update on the 11 recommendations that were made by him at the time and if all of these recommendations have been implemented.

Page 93 of the auditor's report of March 31, 1978, also deals with agencies, boards and commissions. The auditor mentions three, in particular, he noted were doing very little and were not reporting. I believe subsequently, the Ontario Deposit Insurance Corporation, the Sheridan Park Corporation, and the Ontario Telephone Development Corporation were also investigated by the Wiseman committee. If my memory is correct, the last two agencies were disbanded, but I can't recall if the first agency mentioned by the provincial auditor, the Ontario Deposit Insurance Corporation, was disbanded or not.

Mr. Nixon: It wasn't; they have a beautiful four-colour report that just came out with a picture of every employee.

Mr. Mancini: That's exactly what I thought and I want to thank the member for Brant-Oxford-Norfolk.

It surprises me a great deal that less than one year after such an agency is named in the provincial auditor's report as being very worthy of investigation and possibly worthy of dismantling, it would spend the public's money to prepare a multi-coloured glossy report. That's why it's necessary to turn the total responsibility of the review of these agencies to the procedural affairs committee.

The procedural affairs committee, I believe, reviewed 13 agencies, boards and commissions last year. They brought their recommendations into the House and I was wondering if the chairman of management board could comment on what has happened to those recommendations in the light of the fact the procedural affairs committee and their report which was adopted by the House stated three of the 13 should be abolished.

This past summer, the procedural affairs committee looked into six different commissions. We looked into the Ontario Research Foundation, the Ontario Council of Health, the Ontario Food Terminal, the Ontario Housing Corporation, the Ontario Telephone Service Commission and the Ontario Municipal Board. We reviewed six and the procedural affairs committee will soon be making its recommendations to the House.

I must say, being a member of that committee and having sat for the review of those different commissions, it was some of the best-spent time I, as a member of the Legislature, have used, looking into these commissions and agencies which have been appointed by the government. Possibly for years and years they really did not have to justify anything to anyone. It was time well spent by myself and other members of the Legislature, sitting in for a few hours each and hearing them explain exactly what they were doing, what policies they were carrying out and what the cost was to the Ontario taxpayer. I find that a much better way of reviewing these agencies, boards and commissions than having an internal government committee doing the investigation and then reporting.

I will close my comments for now, but I would like to make some comment concerning the minister's opening remarks. I feel some of them should not go unchallenged.

Mr. Riddell: Hold on to your seat.

Mr. Mancini: On page three the minister said, "As early as 1973 this government took steps to ensure that in Ontario managers would be accountable and that adequate central control could be exercised. This is the purpose of managing by results."

If I remember correctly, we have had these tremendous deficits every year since 1972—over $1 billion every year for the past five or six years. It has been since you introduced your management by results that

these deficits accumulated. So I can't understand how the minister could make such a statement when it was during that time his government spending went out of control.

The minister said in his opening remarks, on page six; "Recognizing the basically sound state of the art of management in the Ontario government does not mean we are complacent." I certainly hope you are not going to be complacent. This goes directly back to your large deficits, year after year. If the minister can stand in the House and say he recognizes basically there is a sound state of the art of management in the Ontario government, I can't for a minute understand how we are able to get these large deficits and how we are able to go on such a wild spending spree over the last six years or so.

Mr. Riddell: You didn't run your business that way, George.

Hon. Mr. McCague: How do you know?

Mr. Mancini: I have been pleased to make my comments and look forward to having further debates with the minister and I thank the House for listening.

Mr. Germa: I am pleased to participate in examining the proposed expenditures of the chairman of management board. We don't very often hear from this honourable gentleman. He seems to have sort of a bunker mentality and stays hidden very quietly and discreetly in the background, even though we know his power and his policy permeate the entire civil service.

This man's influence goes into every ministry, into every office, into every area of Ontario, yet we never see or hear him. It is like trying to keep track of all of the arms of an octopus. One knows they are moving, and they are all over the place. Consequently the minister is never anywhere, therefore we can't get at him. So if a person isn't anywhere at all, he is a difficult guy to get at.

But here we have him out of the bunker; we have him in the Legislature. I see his bunker mentality hasn't changed, though. His opening statement indicated he is still a very reserved individual, and is not about to give away too much information. It's the old mahogany board-room mentality. These secrets, this policy and this managerial process are a very secret and reserved process, and it is only for those people who sit in mahogany board rooms.

Hon. Mr. McCague: I'm in the House every day.

Mr. Germa: Sure, the minister is physically in the House—

Mr. Warner: Hiding under his desk.

Mr. Germa: —but he offers no information, issues no press releases, doesn't tell us what he is doing. Consequently we have to wait for this opportunity to take a look at the amount of money he is spending and what policies he is advocating in the administration of the affairs of Ontario as they relate to money and to personnel.

I think that in those two areas this ministry is very important. I think the personnel policies probably overshadow the financial and monetary policies that he administers, because to keep peace in this huge family known as the civil service of Ontario it's quite a balancing act. When there are that many people to deal with, it is important that it be dealt with properly.

I am going to speak, more probably, on the affairs of the Civil Service Commission than on the activities of the chairman of management board, and as it relates to financial management.

Whenever I look at a document, though, I always go right to the very bottom line figure. The minister is probably going to tell us, before we finish the consideration of these estimates, why the expenditures for 1977-78 were $87,113,000, and the projected estimate for 1978-79 is $108,548,000.

Mr. McClellan: That's not five per cent.

Mr. Germa: That's more than five per cent. That runs maybe at 15 to 20 per cent, or something like that.

Mr. Warner: You mean mahogany—

Mr. Germa: The minister didn't offer, he didn't offer—

Mr. McClellan: Didn't offer constraints, eh, George?

Mr. Germa: He didn't offer any information about that, but I am sure he is going to come across.

Hon. Mr. McCague: Oh yes, that's what this ministry is all about.

Mr. Germa: I don't know where the increases are. It's not my job. I think it is your job to let us know.

Hon. Mr. McCague: Certainly.

Mr. Germa: I'm saying right now, I want the minister to make an accounting for that additional $20 million or so that I see right off the top as soon as I open the book.

Hon. Mr. McCague: Right off the bottom.

Mr. Germa: There has been a lot of huffing and puffing, not only from this minister but also from the Premier (Mr. Davis) and all the ministers, that the size of the civil service is detrimental to our society and that we are going to take action; we are going to re-

duce the size of civil service. They have upset every civil servant in Ontario. He knows not whether the axe is going to fall. They have closed institutions, Lakeshore Psychiatric was one of them, and that has caused a lot of problems. There are a lot of uncertainties in the whole large family, these 60,000 or so people known as civil servants.

I don't know what the intention of the government is in creating this furore and this insecurity, but when I look at the figures I see that there has not been a curtailment. If I can take the figures released in the report from the Civil Service Commission, I can only come to the conclusion that the civil service in Ontario for the 1978-79 period grew by 300.

I am told that we had 69,634 classified civil servants, plus 12,646 unclassified civil servants, plus those people who work for crown corporations excluding Hydro—2,364 —for a total grand complement of 83,507 people. That indicates to me that despite all this uncertainty that has been created in the minds of the civil servants, there has not been the curtailment.

[12:15]

The one figure that really grabs me, I am quite offended by this, is the number of people on the payroll under the unclassified-civil-servant category. I can understand some of them but the majority of them I cannot understand. I can understand when you take a scientist, for example, on a contract to do a particular project for six months, he's an unclassified person; he's a contract person. But that's not the person I am talking about.

I am talking about some people who have 30 years of seniority with the Ontario government and by means of the dirty tricks and the dirty policy established by this government they never attain any seniority with the province of Ontario because of this nine-month clause which in effect precludes a person from becoming a classified civil servant when he only works for nine months at one particular job.

The government even goes to the extent of transferring a person, say, from the Ministry of Natural Resources after nine months into the Ministry of Transportation and Communications for three months. Consequently he has broken his service and he never attains status in the civil service of Ontario. I don't know the name of the person but I am going to ask the minister to dig around and find the person who I understand has 30 years of faithful service with the government of Ontario and is still not on the classified role. If that accusation is true, the minister sits there condemned for a policy which totally denies to these people any of the benefits which should be accruing to them.

Those fringe benefits, in this day and age, are very important to people. In some instances the pension benefits amount to 30 per cent of a person's income. Can you imagine a person with 30 years in the service of the government of Ontario, at work every day of the week, who still hasn't got a pension plan? That's what the unclassified group is facing. It has been raised before in this Legislature and I hope this minister has a more sympathetic heart than past ministers who have dismissed that out of hand.

I will dwell further on that topic when we come to that specific item.

The member for Essex South dealt with several things and I am pretty well in agreement with what he has said—

Mr. Mancini: Thank you very much, Bud. I appreciate that.

Mr. Germa: —and I will not repeat all of these buzz words which come out of the government. The manpower policy—the Liberal member blew that one right off the bat and it's true. The thing is just another buzz word. It's a gimmick. It has not accomplished anything. Management by results—I talked to one of the civil servants about that the other day. I said, "How do you accomplish management by results?" He said, "They weigh the amount of paper I produce at the end of the year and if I produce more paper I am more efficient." I hope it's not like that but I still don't see any benefits as the result of this new approach.

Zero-based budgeting—apparently that has not worked either when I look at the expenditures of the province of Ontario. There are several ways for a minister to extract money from the consolidated revenue fund. First of all are the yearly annual estimates. That is his first approach to get money to administer his program. The second way is through the supplementary estimates program which also can provide him with further funding. Another method used is the management board order system. That's a third way he gets money and then there's the special warrant.

The last Chairman of Management Board of Cabinet was quite proud and made quite a to-do about how he had got expenditures under such control that there was little or no use for management board orders. We had to give him some credit if he was responsible for doing that and he told us at that time that in 1977 he had reduced the amount of

dollars by management board order to $22 million, which is quite a reasonable sum to accommodate.

It is quite possible that in a budget of $14 billion there is $22 million which just could not be accounted for to the last penny. But in 1978 the management board orders delivered to the ministries $173,871,000, which doesn't jibe with what I think was the statement the minister made in his opening remarks.

My figures were taken from the report of the provincial auditor to the Legislative Assembly of March 31, 1978. We will probably rationalize where the discrepancies are, but it seems to be that the trend is going back to management board orders. That indicates to me that the management is not there. The predictions are incorrect; the estimates book has not taken into account what is really going to be spent.

Special warrants—we don't have too many of them. I think we only had three in 1978.

The member for Essex South also mentioned the problem of year-end spending. I don't necessarily agree with him. I agree with the government's policy that unexpended moneys at the end of the fiscal year should be returned to consolidated revenue. I think there is no need for a carryover into the next year, as opposed to what the member for Essex South said. He would rather have those moneys left in the hands of the ministry for the next year's expenditure.

I think if you adopted that sort of a policy you would never come to any conclusion about what the expenditures were in that ministry for that fiscal year. There has to be a termination date in order to be accountable, and I think it is accountability that I want to know. I want to know at the end of the year exactly what was spent. If this money is slopped over into another expenditure year, you are never going to find out what the exact costs were for that year. So I wouldn't look at that as the answer to the problem of year-ending, but I do recognize there is a problem of year-ending.

After many years of service on the public accounts committee, we did deal with various ministries who have a bad record of blowing money just to get it out of the budget by the end of the fiscal year. Mr. Minister, that is a fact of life; that does go on. Some operating departments say, "We have X number of dollars left and we have to dump it out before it goes back to consolidated revenue." They just go ahead and dump, all the way from buying cars—even one cabinet minister a couple of years ago was guilty of buying a car on the last day, and he didn't get delivery of the car until a month or so down the road. There wasn't even a car in Toronto he wanted and yet he bought it before the close-off date.

So it goes right from top to bottom. It goes right from the ministerial level right down to the last typewriter ribbon that is bought in some obscure office in Moosonee or some place. I don't know how you are going to get control of that.

Mr. Nixon: The people in Moosonee are not going to like that.

Mr. Germa: I don't even know if they have a typewriter in Moosonee. I am sure it is an obscure office up there. I have never been in it. Maybe they haven't even got a typewriter in Moosonee. I don't know, but I am sure they have.

Mr. Nixon: Their member is now a minister, isn't he?

Mr. McClellan: You'd think he could get them a typewriter if he's a minister.

Mr. Germa: The minister is also responsible for administering pension funds. This is a very difficult area. Information is available which shows a lot of these pension funds have very high unfunded liability. I recall massive transfers of millions of dollars to the Ontario Municipal Employees' Retirement System fund. There are at present massive transfers going to the teachers' superannuation fund. I don't know about the other hundred pension plans the minister I think is responsible for scrutinizing, but he might wish to make a report on the status of all of these pension funds.

There are five or six. There are the public service superannuation fund, the teachers' superannuation fund, the OMERS fund, the hospitals of Ontario fund, the Hydro pension plan and 100 other plans in various parts of the province of Ontario. It would be good to know what the financial situation is for these plans. Are these people secure?

To some degree, I agreed with Darcy McKeough when as Treasurer he said in the House that he cared not whether these liabilities were unfunded because by law the consolidated revenue fund of the province of Ontario was liable for this unfunded liability. As long as we have a consolidated revenue fund in the province of Ontario, then we can assume that the teachers are protected. But I don't know if that same legislation persists in the other plans to tie in the consolidated revenue fund of the province of Ontario as a signatory to the fund of the particular plan. In the case of teachers, I don't see any danger.

Let me talk about a few personnel problems now. A year ago in his statement the minister made great mention of the affirmative action program which would enhance the status of women in the civil service of Ontario. I haven't seen any great change across the province as far as that program is concerned. I have not done a survey or study. I don't know how I would accomplish that but presumably the minister is monitoring that program. He might like to tell us if the program is still in action, what the results have been and if he is satisfied that it is accomplishing what it was set out to do.

There's a statement in the report of the Civil Service Commission about the credentials for staffing. There has been a movement to move away from academic credentials to other considerations in staffing. For various reasons—probably the wrong ones—I think they're only concerned about money, that is, if a person has a certain credential, whatever it is, consequently he has to be paid more money. I don't subscribe to that particular theory. I think a person should be paid for the job, regardless of credential, because it's no guarantee that because a person has a good credential he's necessarily going to do a good job.

The program and the job descriptions are designed so that it is not necessary, unless for technical reasons, to have to have credential persons. I can see that if you need a doctor as a health inspector, then you have to hire a person with a doctor's credential. I have no argument there. But in any other category I would hope to see people hired on the basis of ability to produce and not strictly on academic accomplishment. I think it would go a long way to making the civil service of Ontario more approachable by the average citizen.

Let me talk to the minister about something else on which I want to get answers, that is, the student exchange program which we entered into with the province of Quebec. I don't know if the minister knows about the organization which was formed in Quebec City this summer. It's an organization called SOS, which stands for Starving Ontario Students. I believe these student exchange programs were started as a first step in melding these two solitudes together, the French solitude and the Anglo-Saxon solitude of Ontario. By sending students back and forth, we hoped we would in some way break down the barriers by exposing each side to the other's culture. To that degree, I think the program has merit.

[12:30]

In the beginning, when an Ontario student went to the province of Quebec to work in a Quebec ministry, he would be paid by the government of Quebec. A Quebec student coming to work in the Ontario public service would be paid by the government of Ontario.

Because the government of Ontario has the reputation of being a cheapskate, and because our minimum wage law is so much less than the minimum wage law in Quebec—$3 against $3.47 an hour—we changed all that. We said, "We will send our Ontario students to Quebec, and the government of Ontario will pay them the Ontario minimum wage, i.e., $3 an hour, in Quebec City"; whereas the Quebec students coming to Ontario are paid the Quebec minimum wage.

So here we had 133 of our Ontario students in Quebec City, starving to death this summer when they were trying to live down there on $109 a week. That's not good advertising. It was publicly known in Quebec. The whole intent of the program was to show the people of Quebec that we in Ontario are nice guys. And we send our envoys there, and all they are doing is clobbering us there. So far as public relations are concerned, and breaking down the barriers—

Mr. Nixon: That's a good indication of Ontario culture, of government culture.

Mr. Germa: Yes. That's the impression they have. We would have been better off to have kept those 133 students at home this summer. All it did was cause us trouble down there. Maybe you're going to correct it, I don't know.

The minister also made mention of the Manual of Administration. We had a lot to do with the Manual of Administration at the hearings of the public accounts committee, when we were examining a few of the royal commissioners who had travelled across the world, studying violence in the TV industry, the northern environment and things like that.

The reason for the lack of control of expenses of one particular commissioner, was the result of weaknesses in the Manual of Administration, or the vagueness in the Manual of Administration in not directing the administrative officer of that royal commission of what her exact duties and responsibilities were, and what her limitations were. As a consequence of no direct guidelines, the spending just went out of control. The recommendations of the public accounts committee have not come in yet on that item; but we did make recommendations. I

hope the minister will take note of those recommendations.

Dealing with the problems of a peaceful civil service, our public employees. It has been stated in the past, and I believe it to be a true statement, that Ontario has one of the finest civil service staffs in Canada. I am quite satisfied with the operation of our civil servants generally. But you must understand, Mr. Minister, there is a lot of uncertainty and discontent, right at this time, of the supposed restraint program of the government.

In addition, there are some longstanding overriding grievances that have been with us since 1897. There is one grievance there that has not been resolved: that is the section of the Public Service Act, which prohibits a civil servant from participating in the political process. For the life of me, I don't know why this government persists in holding itself up to ridicule even when the reasons for the legislation in 1897 have long since disappeared.

I think I understand what was going on in 1897, when political patronage and nepotism were rampant.

Mr. Nixon: We got rid of all that.

Mr. Germa: And cars had running boards, too.

Mr. Nixon: No more patronage.

Mr. Germa: And we had horses and buggies.

All of that stuff is gone, Mr. Minister—disappeared with, let's say, the entrance of the trade unions into the civil service. That really cleaned out patronage.

Mr. Nixon: You should read what McDermott said about CUPE.

Mr. Germa: What did he say?

Mr. Riddell: He said he had more experience on picket lines than most of the employees had in living.

Mr. Germa: That's a true statement. There's no doubt in my mind that Dennis has spent a lot of time.

Mr. Nixon: "Dennis McDermott said they may be the biggest union but they are not held in high regard by the labour movement."

Mr. Germa: I don't know how we got on to that subject.

We were talking about civil servants participating in the political process. It's not a theoretical grievance, Mr. Chairman. It is an actual fact that this is causing problems within the civil service.

I have here a minority report from the grievance settlement board. It's because of the dismissal of Mr. Leonard E. Hallborg, the grievor, who was an assessor down in the Niagara Peninsula. He had been with the public service since 1970. He was an assessor three, known as a neighbourhood assessor, and was dismissed from employment in the public service effective December 1, 1978, by a letter dated November 29 from the Deputy Minister of Revenue.

Here is a civil servant who had the gall to run as a municipal councillor. An assessor as a councillor? Unacceptable to the government of Ontario. The man was terminated and fired.

The case went to the grievance settlement board and the majority of the board ruled in favour of the government. What I have here is the minority report which says the man should not have been fired. The majority of the grievance settlement board ruled in favour of the government. But, despite that, the man is back on the payroll.

Public opinion just won't let the government do what the legislation says it may do. Even though the legislation says the man can't participate, even though the grievance settlement board agreed with the government; every once in a while common sense comes to the fore and the government has to listen. The guy was transferred 25 miles down the road; he was put back on the payroll. But will the legislation be amended to clear things up?

Why do all these people have to be excluded from participation in the political process? I don't understand the thinking of the government when it says that.

The Premier had a profound statement of his reasons for enforcing that dictate. Let me put it into the record. The Premier of Ontario said, "No civil servant should have such rights"—political rights—"because it would destroy the impartiality of the public service."

Does the Premier believe, because he excludes these people from the political process, they cannot be trusted? Is that what the Premier is talking about?

Mr. Warner: A sad lot over there.

Mr. Germa: It means not only that you can't run for office, but you can't make public statements, you can't write a letter to the editor, you can't collect funds, you can't do anything. You are totally muted if you are a civil servant in the province of Ontario today. I think the minister has to take recognition of that long-since-outdated policy and he has to do something about it.

I spoke about the unclassified employees, people who work nine months and then are transferred or laid off. The grievance settle-

ment board has been without a chairman for months and months now. There's a backlog of 350 grievances. Every one of those employees is waiting for a resolution to his problem. People are aggravated and that would be an easy one to solve. Why doesn't the government appoint a chairman of the grievance settlement board?

Another aggravation of long standing is the section of the Public Service Act which gives the government the right to fine an employee.

I've been working for 40 years in the private sector and no employer has ever fined me for being late for work or for damaging equipment. It's just not done any more. It's an archaic system that went out with the horse and buggy. There are such things as a person driving a snowplough—I had a case like this—and while he is on an icy road he dents the fender of a truck. When you're ploughing snow you have to take risks. You're bound to hit something once in a while.

You fine the poor guy because he dented the fender of his truck. I've dented the fender of my car. So what? Why fine the person? Why don't you get rid of that? It's just an aggravation and it's ancient history.

Another aggravation I think should be considered by the minister is the payment of legal fees when certain crown employees are charged as a result of them having to take action. It would apply to the custodial ministries like the Ministry of Correctional Services. It would apply to certain people in the health field and it would apply to some people in the Ministry of Community and Social Services who are commanded to take certain actions and, consequently, could and do face charges in the courts if they have done something. Maybe they exerted too much pressure, or whatever, or acted contrary to some civil code.

I think there should be consideration that they are acting in the best interests of the government of Ontario. They're trying to follow the regulation, the legislation and the directions of their administrative officer. They should not be abandoned in their hour of need. I know that the Ministry of Correctional Services will reimburse a person his court costs if he is acquitted in the court, so to some degree it has been solved. If you're found innocent then the Ministry of Correctional Services will pick up the cost of your defence but, unfortunately, that is not true in the case of the ministries of Health and Community and Social Services.

The right to strike has also been grinding away at our staff for many years. I don't see any reason why gardeners cannot go on strike. It's not an essential service we're talking about. In fact, I have yet to hear a proper definition of an essential service. I think the minister has to consider the route to finality of settling a dispute between the government of Ontario and its employees.

I just happened to clip something from Quebec out of the Globe and Mail yesterday. It gives us some idea of what other governments think about their staff. It says:

"Finance Minister Jaques Parizeau has offered Quebec's 125,000 female public-sector employees a plan for fully-paid maternity leave. He said yesterday the plan would allow women a 20-week leave with full pay and benefits, which would extend to two years without pay if they wished to care for their infants. These measures are among the most progressive offered by an employer in Quebec and they entirely meet union demands on the subject."

That will just demonstrate to the minister how far ahead of us some jurisdictions are as it relates to Ontario. I'm surprised that the public service of Ontario has been so faithful and so dedicated when I consider how it has been treated by the government of Ontario. There are other jurisdictions which have a whole diffierent outlook on the treatment of their staff.

[12:45]

I think we can talk further and at length about various matters. I'm also going to talk about persons excluded from collective bargaining.

The present exclusions in the Crown Employees Collective Bargaining Act eliminate 15,000 people from participating in a collective-bargaining unit. That is more, on a percentage basis, than any other province. If I remember rightly, I think that is about 22 per cent. Twenty-two per cent of the people are precluded from joining the union, whereas the average across the other provinces is about 10 per cent.

It's the description of who cannot join the union which has to be corrected. A person is precluded from being in the union if he is employed in a managerial or confidential capacity. I can understand the first description, the managerial, but the confidential one just doesn't sit with me very well.

There's another clause that says students employed during the student's regular vacation can't join the organization either. I don't know why they would be afraid of letting them in the union. I think we can talk further about that when we come to that item on the estimates.

I think that concludes my opening presentation. I look forward to getting a lot of answers from the minister during the next couple of hours.

Mr. Deputy Chairman: Mr. Minister, is it your wish to reply to the two opening statements at this time?

Hon. Mr. McCague: I don't know which way the critics would prefer I do it. Do they want to do it through votes on items?

Mr. Mancini: Later is fine.

Mr. Nixon: Subject to your ruling, Mr. Chairman, there are just three items I want to bring up.

Mr. Deputy Chairman: This is on the first vote?

Mr. Nixon: Yes. I believe these are matters that would involve the policy of the management board, but I will certainly follow your direction. One leads directly from the comment my colleague made about the status of the Ontario Deposit Insurance Corporation.

About a week ago, among the many other government publications that come on my desk, was this report, Ontario's Share and Deposit Insurance Corporation, which is one of the more elaborate ones that comes from a government agency. This is completely bilingual, printed on the best stock. Obviously professional photography and design have been a part of it. Colour pictures of every member of the corporation, nine of them, are contained in the report, as well as colour pictures of every person who works for it.

There may be some misunderstanding because on page 93 of the auditor's report under section 88 it says, "Three agencies were inactive as of March 31, 1977, and were commented upon in our 1976-77 report" —the auditor's report. "These agencies remained inactive as of March 31, 1978. The following comments are pertinent thereto." I add in parentheses, I keep thinking there's some mistake.

I quote further: "Ontario Deposit Insurance Corporation: The Minister of Consumer and Commercial Relations wrote on June 22, 1978, to advise, 'It appears that the necessity for maintaining the Ontario corporation, albeit on an inactive basis, has now passed and we might proceed to repeal this act.'" It goes on.

As I say, there may be some misunderstanding, but I can remember when this corporation was set up. It was some years ago. There were some problems with some of the trust companies. You may remember Atlantic Acceptance Corporation had gone in default and we had great debates in this House. The galleries were full of people who had lost their savings. I can remember one speaker, I believe from the Conservative side, saying, "How can we have sympathy for people who would have the bad judgement to invest their savings at the unheard of percentage rate of seven per cent, because anybody who wants to risk their money at seven per cent probably deserves to lose it?" So it was that long ago.

There was a real concern expressed by the public with some of the trust companies and I can remember the debates here. They had a slight flavour of 1929. People were going to the trust companies to withdraw their savings and the government, in an effort to restore confidence, brought in this special legislation, which really was very successful.

The federal government amended its legislation to take over the responsibility for trust companies similar to the responsibility it had for banks, so our deposit insurance was not necessary.

In reading this report they talk about "our first full year of operation," which is this year. Really, I don't understand it, unless we passed some legislation or there has been a regulation upgrading them. They seem to be referring to special responsibilities for credit unions and caisses populaires, which probably accounts for the particular importance of the French translation, but I really believe the chairman of management board can give us information on this.

It leads me to point two, which was why I looked at this report to begin with. The numbers of expensive reports coming from government departments and agencies are multiplying in a way that is completely unconscionable. About every five years somebody on the government side decides they are going to cut back on needless expense and for a while we get the thin mimeograph reports with only the information needed.

But the pictures of the various ministers, the various deputies and authorities, members of boards and so on—it may be nice for the ego of the people concerned to send them home to their mothers-in-law, or somebody like that, but for us to have them here and distributed across the province in thousands of copies, most of them dumped immediately in the waste basket, the rest of them put on the shelves to gather dust forever, really is something I hope the chairman of management board will take under consideration.

Frankly, I have a high regard for the chairman of management board. I would like to see him exert a bit more management on his colleagues. Here is one clear area where he

could just send out in his normal way a quiet little memo. It might even be just a word whispered to his colleagues that he would like to see a substantial—like 90 per cent—saving on the money all the agencies, boards, commissions, ministries, departments and branches are presently spending on the reports, the cost of which I believe is completely unnecessary.

I also have another concern which can be easily misunderstood. I believe the taxpayers are providing too many cars and drivers to members of agencies, boards, commissions, branches, ministries, et cetera. I hasten to cover my back by saying that obviously the political leaders must have this and probably most of the members of the cabinet, with the heavy schedules they carry, would have to have that assistance.

I can't see why even a deputy minister, probably being paid—and I am out of date when I say $54,000 to $58,000 a year, has to have somebody, the taxpayers, buy him or her a car. I can see keeping some cars with drivers. If one of your deputies has to go to Guelph or Orangeville or Kingston on a matter of business where he is going to have to take advisers with him, maybe do a little work, fine. But when they live in Forest Hill or down in one of the waterfront condominiums or something, why should there be a limousine with a driver waiting until dinner is completed, then they steam down the road for five blocks? It really is wasteful.

I can imagine what is going through the minister's mind and I'll look forward to hearing it. But let's do something about this. The minister may recall an occasion at which we both participated. The chairman of one of the agencies, boards and commissions who is well known to us—really there is no point in us talking about any specific cases other than this because it is such a type case—was provided with a brand new car and of course a driver. Yet he probably lives less than four blocks from his work. It's the idea that everybody is fighting for more status—a deeper, newer carpet; real paintings instead of reproductions; heavier drapes. It's really going crazy. I am well provided with an office. I really think we spend too much money on what are really the most superficial and unnecessary perquisites of office.

In this great public service and the agencies, boards and commissions that are like a cloud of gnats around the government, everybody is striving for a better office, a bigger window, a deeper carpet, more secretaries, at least a share of a car, finally a whole car, then maybe two cars, so that one of the cars can be used by an assistant in busy times.

Darcy McKeough, in that speech he made at Sutton Place after he left the Treasury—I certainly wish it was before us in detail—said the expenditures of government are very difficult to control because of the nature of government itself. I shouldn't be pretending to quote him, but this is my understanding. He said the real rat hole down which the money is poured is government itself. I believe the chairman of management board is the man who has the respect of all sides—I say that most sincerely—he doesn't have to wave his arms around, like some politicians sometimes do and make a political deal of it—he can just do it; cut it back. He doesn't have to get in bed with his colleagues, he could set an example. He drives a nice car which he bought and paid for himself. That is one of his cars; he probably has another one that is not as good, that the taxpayers provide.

Anyway, this is something that we can do. It may take a change of government to do it.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House adjourned at 1 p.m.

CONTENTS

Friday, October 19, 1979

Toronto Island homes, statement by Mr. Wells 3655

Teacher-board disputes, questions of Miss Stephenson: Mr. S. Smith, Mr. Jones, Mr. Conway 3656

Toronto Island homes, questions of Mr. Wells: Mr. S. Smith, Mr. Renwick 3657

Supermarket pricing and checkout systems, questions of Mr. Drea: Mr. Cassidy, Mr. B. Newman, Mr. Swart 3659

Foreign investment, questions of Mr. Grossman: Mr. Cassidy, Mr. S. Smith 3660

Annette Barnes, questions of Mrs. Birch: Mr. Conway 3663

University research, questions of Miss Stephenson: Mr. Cooke 3663

Hepatitis outbreak, question of Mrs. Birch: Mr. Peterson 3664

Inhaling of harmful materials, questions of Miss Stephenson: Mr. Renwick 3664

Deer hunt, question of Mr. Brunelle: Mr. Riddell 3665

Credit interest rates, questions of Mr. Drea: Mr. Renwick 3665

Niagara detention centre, questions of Mr. Walker: Mr. Bradley 3666

Labour relations, questions of Mr. Elgie: Mr. Mackenzie, Mr. Mancini 3666

Regional Municipalities Amendment Act, Bill 152, Mr. Wells, first reading 3667

Municipality of Metropolitan Toronto Amendment Act, Mr. Wells, first reading 3667

Regional Municipalities Amendment Act, Bill 114, motion to withdraw, Mr. Wells, agreed to 3667

Estimates, Management Board of Cabinet, Mr. McCague 3668

Adjournment 3682

SPEAKERS IN THIS ISSUE

Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Bradley, J. (St. Catharines L)
Breithaupt, J. R. (Kitchener L)
Brunelle, Hon. R.; Provincial Secretary for Resources Development (Cochrane North PC)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Davison, M. N. (Hamilton Centre NDP)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Elgie, Hon. R.; Minister of Labour (York East PC)
Gaunt, M. (Huron-Bruce L)
Germa, M. C. (Sudbury NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Jones, T. (Mississauga North PC)
Kerrio, V. (Niagara Falls L)
MacBeth, J. P.; Deputy Chairman (Humber PC)
Mackenzie, R. (Hamilton East NDP)
Mancini, R. (Essex South L)
McCague, Hon. G.; Chairman of Management Board; Chairman of Cabinet (Dufferin-Simcoe PC)
McClellan, R. (Bellwoods NDP)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Peterson, D. (London Centre L)
Reed, J. (Halton-Burlington L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education, Minister of Colleges and Universities (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)



No. 88

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Monday, October 22, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

MONDAY, OCTOBER 22, 1979

The House met at 2 p.m.

Prayers.

VISITORS

Mr. Speaker: I would like to draw to the attention of all honourable members that seated in our gallery are members of the rules committee of the Legislative Assembly of Saskatchewan, led by their chairman, the Speaker of the Saskatchewan House, the Honourable John Brockelbank.

I would also like to draw to the attention of all honourable members the presence in the Speaker's gallery of Dr. Herbert Guenther, Minister of Justice for the state of Hessen in Germany. Would you welcome him?

TRIBUTES TO NIXON FAMILY

Mr. Speaker: May I also draw the attention of the House to the presence in our gallery of a very distinguished citizen of Ontario in the person of Mrs. Alice Nixon. It was my pleasure to entertain Mrs. Nixon and her family at a luncheon today on the occasion of the 60th anniversary of the first election of the late Harry Nixon, former Premier of Ontario. Please welcome her to the House today.

Applause.

Mr. S. Smith: Mr. Speaker, I just want to take a moment to salute Mrs. Nixon and the Nixon family on this auspicious occasion. I did some reading about the former Premier of Ontario, Harry Nixon. Every reference to him is as a man of very good sense, a man of the people, a man of common sense, a down-to-earth individual, and refers to his rock-hard honesty. I may say, without being in any way political about that, that those same features have marked the dedication of the member for Brant-Oxford-Norfolk, the former Leader of the Opposition.

I think it must be obvious to everyone that after many years as Leader of the Opposition the member to my left has rededicated himself to a very difficult and time-consuming role as House leader for the official opposition. Certainly to me, he has been not only a source of very genuine inspiration but of tremendous personal help and advice. I salute the family. I salute Mrs. Nixon.

I know the Premier (Mr. Davis) has often said that he wished the member for Brant-Oxford-Norfolk were still the Leader of the Opposition. I confess to the Premier that that opinion was also shared by others in the House. I confess to you, Mr. Speaker, that there are times I too would prefer to see the member for Brant-Oxford-Norfolk as Leader of the Opposition, but we accept our roles willingly.

All of us feel that Ontario is a better place because a family like the Nixon family has dedicated itself to parliamentary democracy and to helping people. It's an honour to serve in the same House where they have made such a tremendous contribution over the years.

Hon. Mr. Davis: Mr. Speaker, it gives me great pleasure to join with the Leader of the Opposition in paying tribute to the Nixon family. I don't recall exactly what I said in the discussions here on occasion. I'm really not sure that I said I wished the former Leader of the Opposition were still the Leader of the Opposition because on a very objective analysis I'm not sure that I really would wish he were still Leader of the Opposition.

I'd like to pay tribute, leaving that aspect of it aside, to a family really that has made a major contribution to the political life of this province now for six decades. I know that the former Leader of the Opposition, the present member, is in the process of reducing some of this into an historical and, I assume, objective context. I think this work will be very beneficial to the people of this province and is one of those works that might ultimately find its way on to Circular 14 or 15 or whatever that circular is that determines what books get into the school system. I wish him well in those endeavours. We'll all look forward to reading the results of his work.

With you, Mr. Speaker, it's a great honour to have Mrs. Harry Nixon—or Alice Nixon as I was introduced to her at lunch—in your gallery. She has made many contributions to the people of this province as the wife of a former member and a former Premier, as mother of the former Leader of the Opposi-

tion, and as a grandmother of a family where I think people on this side of the House would almost welcome the potential of that continuation. I say "almost"; that would probably make it very difficult for us to win that riding.

Mrs. Nixon, as she shared with us at lunch, knew the delights that come in political life and the sorrows that also come to those of us who share these responsibilities. As she pointed out—something I tried to say not nearly so well as she said to us—the real motivation, I think, for all of us in politics is not the "big issues," but the ability to serve people. This, she in her own way has done, not just as the wife of Mr. Harry Nixon but just as importantly in her own right.

I expect she offered a great deal of guidance to the former member. The present member, I am sure, received a lot of guidance, and maybe he didn't accept all of it. I expect Mrs. Nixon would be ready to give some guidance to her grandchildren if they were ever to make that sort of decision, and probably also her vote.

I have something in common with the Nixon family on this occasion, only in a traditional sense. Mr. Harry Nixon was elected to this Legislature—I think I am right in this—in the same year my predecessor in office, Mr. Tom Kennedy, was elected as the member for Peel. I think he was elected in the same election in 1919. He served this House, and I think I can say this without disturbing any of the reportings of history, that Harry Nixon and Tom Kennedy were, in fact, good friends: political adversaries, but none the less good friends.

They shared their responsibilites for almost the same period of time, except for one modest aberration in Peel in the 1930s when I believe a Duncan Marshall defeated Tom Kennedy, who bounced back shortly thereafter and continued to represent Peel until 1959.

I personally had, as did few other members in this House, the honour to serve with the late Harry Nixon. I can recall very clearly sitting across the House, not too far distant from where the son of that distinguished Ontario citizen is sitting, and listening to his advice and counsel to the government of the day, which the government accepted in the constructive sense in which it was given while not necessarily accepting the advice contained in the suggestions.

The very distinguished present member came into the House roughly two years after I became the member for Peel. Tom Kennedy was our Premier for a brief period, and if my memory is correct, about three percentage points separated the former Leader of the Opposition from the responsibilities of being Premier of this province.

I don't say that with regret; but I do say to the present member he has maintained, and I say this very sincerely and objectively, the very high standards established by his late father. He has maintained the values and principles that were those of his community, and in many respects his father reminded me a little bit of my own late father in terms of their feelings about the smaller communities and the values and traditions that existed.

On behalf of the government of this province and on behalf of my colleagues in our own caucus, I extend to Mrs. Nixon Senior our very sincere best wishes, our thanks for what she has done in her way over these many years for her family and for the public, and say to the son of the former Premier and member that we extend to him our best wishes, although they may not translate themselves into the same political terms whenever he decides once again to contest that seat. But most sincerely I express on behalf of all of us our sincere best wishes to the Nixon family on this occasion.

[2:15]

Mr. Cassidy: Mr. Speaker, on behalf of the New Democratic Party, I would like to join in the expression of good wishes both to Mrs. Harry Nixon, and also to the Nixon family, on this 60th anniversary of their establishing a political dynasty in the county of Brant. It's a tribute not just to political longevity but also to the traditions of service which I know Bob Nixon has carried on from his father.

I understand with some misgivings that Bob Nixon's son, John, is now established in St. George and is of an age and station where perhaps in a few years time he too will be considering carrying this on. With the Premier, I'm not entirely sure whether that is an outcome devoutly to be wished on the part of all parties. I would prefer to look back and say this family has served the province of Ontario with distinction, with dedication, and has been an example and a model of public service and of dedication to public life for many years.

It is interesting to think back to 1919 and the election of the United Farmers government in this province. One's mind is full of certain what-might-have-beens because of the fact Ontario's political history took a step in a direction which it was then to turn away from, and which I would perhaps like to see

it re-embark upon at some time in the future. The Liberal-Labour member for Rainy River (Mr. T. P. Reid) has perhaps carried some traditions from those days.

I would like to think as well that back in 1943 when Harry Nixon was the Premier of this province there was a tradition that the governing party in Ontario did change from time to time, rather than simply staying in the hands of one political party. I, for one, think as part of our commitment to the democratic ideal in this province we should seek to re-establish those traditions of changing the governing party from time to time.

I want to reiterate to Mrs. Nixon our pleasure at the fact she could be here today on the 60th anniversary of her husband's election to this House. Our thanks to her and to her family for their service to Ontario over these many decades.

Mr. Nixon: Mr. Speaker, that's the last time they'll all applaud.

Interjections.

Mr. Nixon: Oh, no. You will at the 75th anniversary too.

Mr. Speaker, I know how anxious you are to proceed with question period, but I felt under the circumstances I wanted to thank you and my legislative colleagues on all sides of the House for their kindness and good wishes. I'm sure also you will understand why, with continuous representation in Brant constituency—Brant-Oxford-Norfolk, as it is now known—for 60 years without a break, it is not often when I'm at home that I say it's time for a change. However, I have been known to use that phrase elsewhere.

The Leader of the NDP has brought to our attention the quaint notion that sometimes in Ontario's past governments did change, and it is something earnestly to be desired. I was glad to see the Premier applauded his remarks. We'll just see how sincere he is in that respect.

I should say particularly, on behalf of my mother, who will be 90 in a few months, that she has followed with a great deal of interest the proceedings in this chamber. When she and my father first came into this building, both of them for the very first time, it was after he had been sworn in as a minister at Chorley Park, which was where His Honour in those days kept his abode and issued his proclamations in the name of His Majesty, strange as those terms may seem.

Actually, my mother, coming in as the wife of a cabinet minister, occupied an apartment in the east wing directly under the office of the Premier. My sister, who is in the gallery, was a baby at the time and my dad often said that it was because his campaign pictures showed him carrying this beautiful baby, actually without a hair on her head but beautiful in every other way, that he was able to win his first election. But things have changed mightily in these 60 years.

I should say something that might be of interest to all of us as members. When he became the leader of the party, the government party of 1943, one of his basic commitments was that there should be an election forthwith because the members of the House, at that time, had extended the tenure of the House twice beyond the legal limit. I just bring that to the attention of fellow members, in case they have some interesting ideas for the future, because it's actually cheaper to do that than have an election.

When the election was called—I don't believe George Gallup was making predictions in those times—most of the editorialists thought the government party would be returned, perhaps with a reduced majority, but in the event, the Liberals found themselves a reduced rump—there's no other word for it—over here. The then CCF was the official opposition and George Drew was the Prime Minister, as he called it, by a handful of votes. It was not even that; it was about one vote and a half.

He proceeded immediately to rearrange the seats in the chamber back into the traditional configurations of Westminster. Before that, during the nine Liberal years, we had one of those semicircular affairs because we didn't have the advantage of one of these excellent public address systems that the taxpayers have provided for us. It was only by dint of lung power and persistence that a debater could make himself heard in this chamber.

You know how, Mr. Speaker, if something happens to our public address system and it's not working, we are completely at a loss to continue business. So it shows the way, perhaps, that the strength of the parliamentarians has changed over those years.

There have been many changes, and during all these years the good people of Brant, with parts of Oxford and parts of Norfolk, have seen fit in their wisdom to return my father and me to this House. We feel we have served them as competently as we could possibly do, and always with the feeling that there is nothing like a dynasty. Always, it is in the hands of the electorate.

I want to close by making a comment to the leader of the NDP. He indicated I had a son, John, who was farming, but I also have two daughters. It's not often that the leader of the NDP is upstaged by what might be

called by oversensitive people a sort of sexist statement. However, there is practically an army of them there waiting to carry on. I'm not sure their interest and bent directs them in this direction. Frankly, I hope it does because I have found the life of the service here to be fulfilling, interesting, sometimes amusing and always fraught with, I suppose, a kind of pressure and also goodwill that make life worth living. Thank you, Mr. Speaker.

Mr. MacDonald: Mr. Speaker, could I add a 30-second footnote? I think all members of the House should be aware and forewarned that the member for Brant-Oxford-Norfolk is writing the history of the last 50 years as viewed from the Liberal concept of truth, honesty and everything else. Just beware; he tells me it may be available by 1984 or 1985, perhaps earlier. Quiver in your seats meantime.

Mr. Rotenberg: We're not worrying.

OTTAWA MEETING

Mr. Laughren: On a point of order, Mr. Speaker: I wonder if you would agree with me that in view of the very important meeting that took place in Ottawa towards the end of last week between our Treasurer (Mr. F. S. Miller) and Minister of Energy (Mr. Welch) and their federal counterparts in Ottawa we could expect a statement today on the results of that meeting, in view of the rather serious problems we're faced with concerning interest rates and oil pricing, which have a great deal to do with the people they met with in Ottawa.

Mr. Nixon: Your leader could ask a question about that.

Mr. Speaker: There will be an opportunity in question period.

Mr. S. Smith: That goodwill lasted quite a long time. I thought I would have the honour of breaking that atmosphere with my first question, but unfortunately it's been taken by someone else.

ORAL QUESTIONS

GAS AND OIL PRICES

Mr. S. Smith: I'd like to address a question to the Premier, arising out of Prime Minister Clark's press conference last Friday at which the Prime Minister rejected—I guess that would be a moderate word; some would use stronger words—the Premier's insistence that an oil pricing decision must await the first ministers' conference in December.

In light of this development, is the Premier now prepared to look more favourably on the suggestion made by the member for Kitchener (Mr. Breithaupt) that the Legislature pointedly and formally declare its opposition to the proposed oil price hike we're hearing about and which the federal government intends?

If the Premier has some reservations about the wording of the resolution suggested by the member for Kitchener, I would be glad to entertain a resolution that he might wish to word for the House, provided all parties could find it acceptable. Then the Legislature could go on record and make very clear to the federal government what our opinion is.

Hon. Mr. Davis: As I said to the member for Kitchener on Friday, I have no knowledge as to what difference has been created, if any, because of the Prime Minister's press conference on Friday. I really thought we had debated the question—which I received notice of, incidentally, but about two minutes before the question was asked, I thought we had heard the views of the members opposite.

As I pointed out to the member for Kitchener, I think on this whole question there are different aspects in the points of view of the New Democratic Party, a fairly new point of view from the Liberal Party, and of course the position that we have put very forcibly to the government of Canada. Hopefully there is no doubt in the government of Canada's mind—I can assure them there isn't—as to the point of view of the government of this province.

While I'm never reluctant to have a further debate if there's something more that can be added, I am having the contributions of all members assessed in terms of adding anything to the representations we have made. But I think no practical purpose would be served by having a resolution when the views of the government are, I think, very well known to the government of Canada.

Mr. S. Smith: Supplementary: Although the views of the government may be well known to the Prime Minister of this country, the Prime Minister seems to be rejecting those views. Why would the Premier not seek and welcome the support of this House for a nonpartisan resolution, on the elements of which I'm sure we can find some agreement?

Why would the Premier not welcome this opportunity to make very plain to the government of Canada that the opinions being expressed by the government of Ontario and at present being rejected by the government of Canada would then take on much greater

strength once they were in the form of a resolution which we could all agree to?

Why would he not want the support of this Legislature, not for the purpose of further debate, but to make sure we're protected from this recessionary, inflationary and—in our view and in your view—unnecessary oil price increase?

[2:30]

Hon. Mr. Davis: Once again, from a practical standpoint I really think the government of Canada is very aware of the point of view.

I think it's very premature for the Leader of the Opposition to say the government of Canada has rejected the Ontario point of view.

The Prime Minister of Canada is faced with several conflicting points of view. He is faced with the requests from the producing provinces, something they have had for several years now, to have world price for oil. This request has been there since 1973-74, it is a point of view which, in many respects, was supported by the official opposition in this province, and I really sense from the member for London Centre that philosophically, probably—

Mr. Peterson: You are in no position to judge my philosophy. You don't have any of your own.

Hon. Mr. Davis: All right. I am just saying it was the member for London Centre's point of view.

Mr. S. Smith: It never was at all.

Hon. Mr. Davis: I just see what I read.

Mr. Epp: And it is written by your staff.

Hon. Mr. Davis: Who wrote your latest paper?

Mr. Epp: I did.

Hon. Mr. Davis: The member for Waterloo North did. I am sure he did. I am not sure he should want to claim authorship.

I would say further to the leader of the Liberal Party that while the Prime Minister is faced with the point of view, as expressed very vigorously by the producing provinces, of world price, he has the point of view by this province that we should be less than world price or the Chicago price. We do not see the need to move to world price in terms of what has been suggested in some quarters.

I would also point out, as I recall chronologically, there were suggestions emanating from the producing provinces, also from some ministers. In fact, one reason the paper was released in August is we felt the potential of having prices adjusted even in mid-year, that is this past September.

So I think it is fair to state our point has had some impact. At least there has been no adjustment in price up until this moment.

An hon. member: Come on, be serious.

Hon. Mr. Davis: I have to tell the honourable member, every week that goes by and there isn't an upward adjustment, we are talking millions of dollars. We are talking hundreds of millions of dollars because of the position Ontario took in 1974 when the producing provinces wanted to go to world price and when the then government of Canada was well on its way. If it hadn't been for the intervention from here, it might have happened several years ago. This government has saved the people of this province hundreds of millions of dollars.

Mr. Cassidy: Since there seems to be some confusion arising out of the statements by the federal Prime Minister over the timing of any decision about the oil price increase, can the Premier say whether his colleagues, in their visit last week, or he, in his contacts with the Prime Minister, have in fact succeeded in getting a commitment that no increase in oil prices or no decision about petroleum price increases will be taken until after the first ministers' conference in December?

Can the Premier say whether the federal government has agreed not to proceed with the destructive and disastrous increases in prices which were being rumoured last week?

Hon. Mr. Davis: I can only go by press reports.

Mr. Martel: Did you talk to him? Don't you talk to that fellow in Ottawa?

Mr. Speaker: Order.

Mr. Martel: You used to belittle the Liberals when they were in power.

Hon. Mr. Davis: Just let me finish.

Mr. Speaker: Order. Just ignore the interjections.

Hon. Mr. Davis: I find it so hard to ignore that distinguished member. Well, I don't really.

Mr. Speaker, there is nothing I learned as a result of discussions in Ottawa last week that would lead me to believe a decision would be made prior to the first ministers' meeting. I sent a very direct response to the press report to the Prime Minister making it clear I felt it was necessary to have the first ministers' meeting prior to a decision on the pricing part of the energy debate.

I notice once again in the press that Mr. Clark himself suggested a gasoline price of the figure of $1.37 per gallon, or whatever it was, was not what he was contemplating.

I can't answer for that because once again it was just a press report.

The information I have as a result of the discussions last week would not lead me to believe any decision has been made. We are urging it be discussed at the first ministers' meeting prior to any finality to the question of pricing.

Mr. S. Smith: The Premier in his last response has tried to say the Ontario position was, and I quote from the Premier as best as I can remember it now because he just finished speaking, "something other than world price, something below the Chicago price." I believe that is what the Premier just said. He wants to take some credit for the fact that the rumoured increases are in that realm.

Since when was it Ontario's position that as long as it is below world price and below the Chicago price the government could take credit for that and feel that was a great achievement? Since when did the Premier's position change from the so-called "no increase beyond $1" in January?

Mr. Warner: It was one of the Liberal positions.

Mr. S. Smith: Why doesn't he admit the fact that he is being roundly defeated in his efforts on behalf of Ontario and that perhaps getting the Legislature to pass the resolution, although it doesn't guarantee success, would be a lot stronger than the position he has so far been able to carry on our behalf?

Hon. Mr. Davis: I really don't know what the Leader of the Opposition was hearing. There has been no alteration in our position. There is an agreement in effect. That agreement includes a price increase of $1 on January 1. Our point of view on that has not altered.

I am saying I have taken the position for some time, prior to this latest debate, that whatever is ultimately determined—in spite of what some provinces, some economists and some people in the business community argue, and in spite of the inevitability of the position that the Leader of the Opposition's party has always maintained—we should retain that competitive edge and should never accept the principle of world price.

Mr. S. Smith: You are not telling the truth; we never said it was inevitable.

Hon. Mr. Davis: The honourable member accepted it in his paper. He said when it became inevitable we would have to adjust to it. I am taking the point of view that it doesn't have to become inevitable at all. We can be self-sufficient in energy in this country and we don't ever need to go to world price.

Mr. S. Smith: When we have only imports, then we have to pay world price, and the Premier knows it. Tar sands will be close to world price.

Hon. Mr. Davis: We won't reach the point of only having imports.

Mr. Speaker: Order. I can't hear the question.

Mr. di Santo: Supplementary: While the Premier and the Leader of the Opposition solve the problem of who altered his position—and I think that both of them did—in view of the fact that there will be a price increase in oil and that today there was a report that each household will pay $180 more for heating oil, is this government considering subsidizing senior citizens for the major cost, in view of the failure of this government to meet the commitment it made before the past election that it was going to reduce or eliminate property taxes on education?

Mr. Speaker: The latter part of that question is not a supplementary.

Hon. Mr. Davis: We will deal with the latter part on some other occasion. I would urge the member for Downsview to read very carefully the paper we presented. We made two or three points in which we set out statistically better than perhaps any other jurisdiction, including the government of Canada, just what was implicit in terms of oil price increases. We also made the point, and please read the paper—

Mr. di Santo: I did.

Hon. Mr. Davis: If the honourable member did read the paper, he will find one of the suggestions we made was that we very strongly advocated that before any decision was made on any increase in oil price, programs should be in place relating to home heating oil with respect to those people on fixed incomes. It is there in black and white. He should read it and then ask the question again.

HIGH-SPEED CAR CHASES

Mr. S. Smith: I will ask a question of the Provincial Secretary for Justice in the absence of the Solicitor General (Mr. McMurtry).

Is the minister aware that two more innocent young people have been killed violently in a car crash as a consequence of a high-speed police chase in an effort which police in Port Colborne were making to apprehend a 15-year-old juvenile who was at the wheel of a stolen car?

I ask the provincial secretary whether he is aware of this incident and whether after years and years of debate and requests in this House we are finally going to get a clear and consistent policy, which is understood by all law enforcement officers, that such chases are simply not to occur. Can he tell us what his view is of this matter and what he will promise to bring before the House to remedy this situation which has now claimed the lives of two innocent young people?

Hon. Mr. Walker: Mr. Speaker, I am certainly aware of the very unfortunate incident at Port Colborne over the weekend and I know that the Solicitor General is. He's at the moment at a constitutional conference in Halifax in his other responsibility as Attorney General. I do know as well that the Solicitor General's ministry has asked for additional information from the Niagara regional police department. I anticipate the member will hear in due course any views the Solicitor General may wish to offer at that time. I know it's uppermost in his mind.

Mr. S. Smith: By way of supplementary, I know this matter was raised many times before I was ever elected to this House, but I also know that as a consequence of questions from both this party and the New Democratic Party back in March and April 1976 and in the succeeding years, there have been repeated promises from the Solicitor General's ministry that guidelines would be issued for all police forces and would be enforced.

Where are those guidelines? What do they look like? Who has them and what means of enforcement occurs, since the promise was made some three years ago?

Hon. Mr. Walker: I know that's the kind of question the Solicitor General would want to share with the Leader of the Opposition. I will leave that until his return.

Mr. Warner: Mr. Speaker, I don't think the minister can get off that easily. His is the secretariat for Justice policy. As a member of this assembly, I understand there were policy guidelines set down with regard to high-speed chases. I would like to know where those guidelines are. I would like to know if he is going to table those guidelines. I understand the Provincial Secretary for Justice is the person responsible for those guidelines. Will the honourable minister table them?

Hon. Mr. Walker: I think the answer to this question is identical to the one given the Leader of the Opposition: the Solicitor General will share whatever information he has with members in the fullness of time.

Mr. Lupusella: I guess the main problem is the teaching techniques the police officers are receiving at the Ontario Police College. Will the minister convey his concern to the Solicitor General to make an overall review of the teaching techniques taking place at the Ontario Police College as soon as possible?

Hon. Mr. Walker: I will raise with the Solicitor General the concerns the member for Dovercourt has raised.

HOSPITAL BED ALLOCATIONS

Mr. Cassidy: Mr. Speaker, I have a question about health cutbacks. Is the Minister of Health aware that having had no reply to its appeal for funds six weeks ago the Willett Hospital in Paris has decided to close 13 chronic-care beds from now until March 31? Is he aware the hospital has had to try, with great difficulty, to find some place in the community to put those patients in order to save money because it has not received sufficient funding to continue to operate those beds? What action does the ministry intend to take?

Hon. Mr. Timbrell: Mr. Speaker, I will certainly look into that to ensure this is not another St. Joseph's Hospital, Blind River, type of allegation on the part of the leader of the third party. The area planning co-ordinator for the ministry has been in that area repeatedly in the last few weeks dealing with all of the hospitals and the health councils who are reviewing the longer-range plans for hospital services in that area. I will take his question as notice and return with the facts tomorrow.

Mr. Cassidy: Supplementary, Mr. Speaker: Since the facts we have come from the administrator of the Willett Hospital, is the minister not aware there were an additional 12 patients on the waiting list for those chronic-care beds which are about to be closed? Is he not aware that in addition, there are two patients in active-treatment beds at that hospital who should be moved into chronic-care beds? Given the obvious need for those beds, can the minister explain why it is the government has waited six weeks while an appeal was on the minister's or the ministry's desk and not given a response that could allow that essential care to be continued in the community of Paris?

Mr. Swart: Skate around it again.

Hon. Mr. Timbrell: Mr. Speaker, all appeals are reviewed initially by the area teams within the ministry. When budget letters went out many months ago, all hospitals were told they should not make major changes in

their programs without notifying the ministry, and that in particular we did not want to see changes in the areas of outpatient care and chronic care.

As I said, I will investigate and return here tomorrow with the facts to answer the allegations.

Mr. Nixon: The Willett Hospital referred to is in my constituency and the minister's colleague, the Treasurer (Mr. F. S. Miller), will recall the hospital well since he drove up there and closed it one time—but it didn't stay closed. Is the minister aware the rationalization committee of the health council in Brant county is proposing a very large expansion of the chronic-care facilities there, but at the same time removing all of the active treatment facilities?

[2:45]

Doesn't it worry the minister that this sort of a change affecting the community of Paris, which was attempted by his colleague in his previous incarnation as Minister of Health—it was attempted and was a failure at that time—is now going forward under another guise and that the community may very well be left with lots of chronic care but not sufficient active-treatment care?

Hon. Mr. Timbrell: One of the key elements involved in the review of hospital services in the whole of Brant county and the discussions among the five facilities in the county is the question of what is medically appropriate. As the member knows, the Brant County Medical Society has been actively involved in that rationalization review right from the beginning.

I met with the chairmen, or chairpersons if you prefer, of the health councils in that part of the province last week, and I am led to believe that in fact that number three rationalization study has been approved in principle by the board of the Willett Hospital, so I am confident that whatever comes out of the review by the Brant County District Health Council will have a very strong medical input and be along the lines of what is medically appropriate.

Mr. Cassidy: Final supplementary—

Mr. Speaker: The minister has taken the question as notice. It is obvious he doesn't have a detailed answer—

An hon. member: He doesn't have any answer.

Mr. Makarchuk: Doctors are against it.

Mr. Speaker: —but there will be an opportunity for further supplementaries when the minister brings in a detailed answer.

ONTARIO ENERGY CORPORATION

Mr. Cassidy: I have a question of the Treasurer. Since the Treasurer told this House last week that the Ontario Energy Corporation has been stripped of the proceeds of the Syncrude sale in order to help finance the Employment Development Fund, can the Treasurer explain how that move is justified, since the Employment Development Fund to date has spent only $5.5 million on grants in manufacturing, whereas the money taken from the energy corporation amounts to $120 million?

Mr. Martel: Are you juggling the books?

Hon. F. S. Miller: The language "was stripped" I believe is the honourable member's at any point in time, not mine. Let's have that on the record.

I explained that what happened was the Ontario Energy Corporation paid back to the consolidated revenue fund approximately $105 million plus accrued interest to the fund, and left the rest of the money, the profits, invested in the Ontario Energy Corporation for worthwhile energy projects such as the experiment on the agrifarms, such as solar energy, such as many other experiments that are going to be going on in this province, finding the alternatives to crude oil as an energy source.

The moneys that are shown in public as commitments to the Employment Development Fund usually lag to some degree behind the actual commitments, because there is a process through which the money is allocated. I can only say that of the $165 million currently in the Employment Development Fund for the year, I can safely say the odds are it would be overdrawn rather than underdrawn.

Mr. Cassidy: Supplementary: Since a government press release today states that the Employment Development Fund has given out only $5.53 million to the general manufacturing sector, and that is in a period of seven months since this fund was established, doesn't the Treasurer agree that it would have made more sense to have left that $120 million in the Ontario Energy Corporation so the energy corporation could have taken a lead in putting equity investments into energy-saving projects and the projects to establish alternative forms of energy here in the province of Ontario?

Hon. F. S. Miller: This in no way prevents this government from making priority decisions as worthwhile investments come up in the energy field. The fact is that in this current year we felt we had at least one major

industry, for example, the pulp and paper industry, plus the industrial sector, in great need of help because of unemployment difficulties. Again, I repeat what I said last week: if there was any group within this House that continued to make a lot of sound about that, the member's group did. We have continued to act, I would say, with great success. I hear ads almost daily saying 30,000 new industrial jobs, 31,000 new industrial jobs.

We obviously have made commitments to companies that as yet are not announced. The Minister of Industry and Tourism (Mr. Grossman) makes these as they are finalized. I can assure the member a lot are under way in the pulp and paper industry alone. The Ford deal alone is $28 billion. So you're talking about a $5 million loan—the Ford deal comes out of the EDF.

Mr. J. Reed: Does the minister not agree that the money channelled through the Ontario Energy Corporation is the correct vehicle to stimulate job creation in this province, understanding that we are importing $5 billion a year of energy into this province? Every single dollar we can recreate inside this province and contribute to Canada's energy self-sufficiency is to our direct advantage. The Ontario Energy Corporation can be a major vehicle in this regard.

Hon. F. S. Miller: Again, Mr. Speaker, it's not either or. I'd like to think that the billions of dollars the Minister of Energy (Mr. Welch) talked about in the phase two of the energy program relate to investments which will have to be made in this province and, of course, will create employment.

I believe the targets for indigenous energy sources have been set up by the Ministry of Energy so that we will depend less on external sources as time goes on. But the member knows as the energy critic—I believe he is the energy critic, isn't he?

Mr. J. Reed: That's right.

Mr. Kerrio: You're making it awfully easy for us.

Hon. F. S. Miller: We are heavily dependent upon crude oil and natural gas yet and are going to be for years.

Mr. J. Reed: Until you get off the tar sands.

Hon. F. S. Miller: I would suggest that the Ontario paper clearly spelled out how we will have to work with the rest of Canada. We can't create tar sands in Ontario. We can make electricity.

Mr. S. Smith: You are going to drive with a long cord.

Mr. Cassidy: Mr. Speaker, a final supplementary. Since the minister says that the Ontario Energy Corporation's money, which could have been used for creating jobs in the energy sector, has been moved over to create jobs through the Employment Development Fund, can this House have an assurance that with the grant to Westinghouse for the plants in Renfrew announced today there has been a commitment made by the Westinghouse Corporation that they will not take away the 700 jobs which are now threatened at the switchgear plant in Hamilton?

Hon. F. S. Miller: I find it difficult to extend the original question to that supplementary.

ENERGY COSTS

Mr. B. Newman: Mr. Speaker, I have a question that involves both the Minister of Community and Social Services and the Minister of Revenue.

In the light of the increasing cost of energy and the horrendous increases that will be coming in the future and in light of the fact that many senior citizens, individuals on community and social service benefits and old-age security, people on low income and low-wage earners will be unable to pay these increases, is the minister prepared to provide an energy supplement at this time to the many different classes of citizens I have mentioned?

Hon. Mr. Norton: Mr. Speaker, as I'm sure the honourable member is aware, the policy for some time in my ministry with respect to energy costs as they relate to home heating, has been that we will in fact pay the actual costs for all of those who are in receipt of benefits from the ministry. Within the past year we have changed that program so these persons can, in fact, receive payment in full with only a one month lag. Whereas previously there was a year-end catch up, we now have it so that there is a one-month lag.

There may be, in some circumstances, a slightly increased time lag if we're late in getting the receipts. But the policy is that we will pick up actual costs.

Mr. B. Newman: Mr. Speaker, as that question involves both the Minister of Community and Social Services and the Minister of Revenue, could I ask the Minister of Revenue to also reply as to whether he is developing in the GAINS program an energy supplement so our senior citizens won't come to a point where it's either heat or eat?

Hon. Mr. Maeck: Mr. Speaker, our ministry is not developing that particular pro-

gram at all. If it was going to be developed, it would be developed by Treasury, rather than the Ministry of Revenue.

Mr. McClellan: Is the minister not aware, despite what he said with respect to the way his ministry pays heating costs, that no allowance can exceed the maximum as set out in the Family Benefits Act, so the money simply comes out of the food budget or out of the rent budget?

Hon. Mr. Norton: Mr. Speaker, that is simply not the case. As I told the member, there is a special program in which there is an allowance for supplemental assistance in paying heating costs where the recipient is responsible for those heating costs. We do pay the actual amounts. I wish the member would pay a little closer attention to the policies of my ministry, since he is the critic.

Mr. Martel: Ask your staff.

Mr. Gaunt: I should ask the minister if he is not aware of certain cases of GAINS recipients who have sent in the actual receipts for heating costs for the previous year and those costs have not been paid? The ministry has said because the level of payment is at a certain point the ministry will not be responsible for those additional heating costs.

I can get the files for the minister if he wants them.

Hon. Mr. Norton: I would be quite happy to check into any individual cases the member is aware of, because that is not consistent with the policy of the ministry.

Mr. Makarchuk: You've got some on your desk already.

Mr. Swart: How can the ministry say the payments are keeping up with the increase in those kinds of costs when during the last three years the percentage increase to the average recipient has gone up only 15 per cent, whether that's welfare or family benefits —in that neighbourhood—and the cost of living has gone up 28 per cent? How does he relate those two?

Hon. Mr. Norton: Mr. Speaker, I don't know what the member is referring to. We are talking here about the provision for increasing energy costs. I think the member is expanding that to include—

Mr. Swart: It's all part of the cost.

Hon. Mr. Norton: Yes, but this is separate. We are not referring to the energy component or the heating component of the regular allowance; we are talking about supplemental assistance.

Mr. Martel: Right. That's what we're talking about.

CHICKEN IMPORTS

Mr. MacDonald: I have a question of the Minister of Agriculture and Food. He has been neglected for too long.

My first question to the minister is, since his kissing cousin in Ottawa last Friday authorized the import of chickens to the extent of 48 million pounds for 1980 and 52 million pounds for 1981, thereby placing in the hands of the two major importers, Maple Lodge Farms and Loblaws, control over price and undercutting totally the effectiveness of the marketing board, what is the minister going to do about it?

Secondly, in relation to imports, what is the minister going to do? I have to ask a question about the citizenship of chickens. Since, when a shopper goes into a store, it is not possible for him to discover whether or not it is a native-born chicken or an immigrant from the United States—

Mr. Peterson: Check his passport.

Mr. MacDonald: —don't you think it is time, in keeping with the government's buy-Ontario program, that there should be some designation of the origin of the product so the shopper could give preference, as the minister is seeking to have them do, to Ontario products, and so we don't have ads like this, which says, "fresh chickens," with no identification at all? For other products, for example, it says at the bottom, "California tomatoes," or "produce of Central America" for bananas, or "US produce" for head lettuce, but there is no identification for chickens at all. There is no clarification as to their citizenship. What is the minister going to do about that?

Hon. Mr. Henderson: Mr. Speaker, I am sure the member is well aware I have had the opportunity of meeting with the chicken producers on two different occasions, respecting the problem he has brought up here today.

Mr. T. P. Reid: All they got was feathers.

[3:00]

Hon. Mr. Henderson: If the member would look back over the history of the imports, he would note the Minister of Agriculture for Canada has put forth a proposal that at least limits future imports. We could not get that before. We now have a limit on the imports, a limit that is less than the present imports by quite a few pounds. I can quote the figures if the member wants. But it is less—

Mr. Martel: Go ahead. Come on Lorne, give us the figures.

Hon. Mr. Henderson: —I don't want to take the time in the House.

Mr. Laughren: Go ahead.

Mr. Warner: Dazzle us.

Hon. Mr. Henderson: Mr. Speaker, I just happen to have them in front of me.

In 1978, the imports were 6.8 per cent; in 1979 they're higher. The present Minister of Agriculture for Canada has set the total imports for 1979 at 45 million pounds, which is quite a bit less than six per cent; for 1980, 48.5 million pounds; for 1981, 52 million pounds. So the honourable member understands the situation, in 1982 and thereafter imports will be 6.3 per cent of the previous year's Canadian domestic production. I read out earlier that 1978 imports were 6.8 per cent.

Mr. Speaker, I recognize the statement has been made. I am now concerned, as most of the members of this Legislature realize, that we in Ontario consume about one third of the poultry within our great dominion. This statement does not include what portion of that 6.3 per cent will be permitted into Ontario. That is of concern to me as Minister of Agriculture and Food for Ontario.

Mr. S. Smith: Are you satisfied or not?

Hon. Mr. Henderson: Mr. Speaker, to answer the leader of the Liberal Party—

Mr. Speaker: Order. If he wants to ask a supplementary, he can do it in the same way.

Mr. MacDonald: Even if the imports are marginally down, and only marginally, from this past year, since Loblaws and Maple Lodge Farms Limited, from Norval, Ontario, themselves have 6.3 per cent of the Ontario production in their imports and therefore, in effect, control prices and deprive the marketing board of the statutory power they have to fix prices in accordance with farmers' needs, what is the minister going to do about that?

Secondly, will he answer the question, instead of calculatingly evading it, what is he going to do about designating the origins of chickens that are in the markets in the province of Ontario so people who respond to his buy-Ontario program can know what produce is from Ontario?

Hon. Mr. Henderson: Mr. Speaker, in answer to the latter part of the honourable member's question, I have already pointed out to the chicken producers that they should be putting on a campaign to advertize our Ontario poultry.

Mr. Warner: What are you going to do?

Hon. Mr. Henderson: I passed that on to them about two and a half weeks ago. I have already pointed out to the chicken producers that this is important. Other producers' organizations are doing it.

Mr. McGuigan: Mr. Speaker, is the minister not aware that under the Canadian Agriculture Products Standards Act, country of origin must be prominently displayed along with the product or with advertising? Is he not aware that there are working agreements between inspectors of his department and of the federal department? What is he doing to see these regulations that are already in place are enforced?

Hon. Mr. Henderson: Mr. Speaker, I don't believe the honourable member has done his homework on this.

Mr. Martel: Maybe they should wear a flag.

Hon. Mr. Henderson: Had the poultry been brought in in dressed weight and ready for the consumer, then it would have to carry the country of origin. But in view of the fact that they were brought in on a live-weight basis—

Mr. Kerrio: As landed immigrants.

Hon. Mr. Henderson: —and were inspected by government of Canada inspectors, they have then received inspection in Ontario and approval by the inspectors from Canada. The honourable member has been misinformed.

Mr. Isaacs: Supplementary: Would the minister explain why his answers are so inadequate and why this bag of carrots can carry a Foodland Ontario symbol—

Interjections.

Mr. Speaker: Order.

Mr. Isaacs: —but not this chicken telling where it comes from? The consumers of this province have no way of knowing whether this is a Canadian chicken or an American chicken. Can the minister explain that?

Interjections.

Mr. Speaker: Order. Did the minister hear the question?

Mr. Kerrio: Bring a live one in tomorrow.

Hon. Mr. Henderson: I missed the honourable member's statement as to whether it was a pullet or a rooster.

Mr. Kerrio: The minister can't tell the difference, can he?

Mr. Watson: It's a capon.

Mr. T. P. Reid: Supplementary: I'm glad to be in on the official introduction of the next leader of the NDP.

Mr. Eaton: It sure won't be the member. He's a dead duck.

Mr. Breithaupt: And the guy who was holding it was interesting too.

Mr. T. P. Reid: It reminds me of a story about a pig and somebody else, but we won't go into it.

Mr. Speaker: Order. You can tell it at another time.

Mr. Watson: That's my story.

Mr. T. P. Reid: Following the question of my colleague, the member for Kent-Elgin, would it not make sense to the minister to press his federal colleague and take action himself to ensure that imports are labelled as to country of origin and save the Canadian producers having to put that on the produce to differentiate so that imports are stamped with the country of origin, such as the United States, in order that the consumer will be aware?

Hon. Mr. Henderson: I think I answered this question.

Mr. Warner: The minister is evading the question.

Hon. Mr. Henderson: I don't know how one would stamp a live bird as an import to our country. I think I answered that question.

Mr. T. P. Reid: You'd kill it.

EASTERN ONTARIO DEVELOPMENT

Mr. Sterling: I have a question of the Treasurer. Since it is now approaching a year from the time when the federal government announced it was withdrawing from the ARDA program, and since the provincial government has been negotiating with the federal government since that period of time in relation to an eastern Ontario development agreement, I would ask the Treasurer where do those negotations now stand?

Hon. F. S. Miller: I'd hoped for the signing of an eastern Ontario agreement today, October 22. I was informed that the federal government had hoped to be ready to sign an eastern Ontario agreement. There are some words back from Ottawa saying that it is passing the last hurdles within the process and should be ready within a few days.

I recognize that the Department of Regional Economic Expansion has been undergoing some pretty thorough reviews by the new government. In fact, a meeting that was to be held on October 26 has been temporarily postponed while they sort out the overall DREE philosophies.

I trust and believe, as of this morning, that that agreement will be ready. The one concern I have is that I haven't yet seen the accepted version. As the member knows, Ontario had some changes to offer. I can't commit this government to sign it until I know that it meets our requirements.

Mr. Gaunt: Supplementary: Since the minister had indicated previously that he was prepared to try to get the federal government to change its view with respect to the areas covered by the new agreement and, specifically, to try to see if the counties of Huron, Bruce and Grey could be included in the new agreement, what progress has been made on that particular aspect of the new agreement?

Mr. Eakins: How about Victoria-Haliburton?

Mr. Gaunt: What progress has been made on that particular aspect of the new agreement?

Hon. F. S. Miller: The counties I recall are Haliburton, Victoria, Peterborough and Muskoka. Those ones I know were critical. I know that certain pressures were on us to have the ones the member has named included, but he has touched one of the key points: of course, geography was one of the points of discussion.

Mr. Warner: Yes, all those areas coloured blue.

Hon. F. S. Miller: I really haven't heard back whether the minister has accepted the versions Ontario has put forward. That was for an expansion of the geographic area.

Mr. Martel: Acid rain will kill everything in Muskoka.

ANNETTE BARNES

Hon. Mrs. Birch: On Friday the member for Renfrew North (Mr. Conway) asked several questions about the provision of Flexical, a food substitute, for Mrs. Annette Barnes of Scarborough, who suffers from Crohn's disease. There have been a number of errors in press accounts of this situation that I am now pleased to clarify.

In response to questions from my office, London Life Insurance Company has notified me that all claims made on behalf of Mrs. Barnes by her former employer have been paid. No claims were made in 1978 and all claims presented in 1979 were accepted by the insurance company in a liberalization of its policy.

The company notes that it now knows of no reason for Mrs. Barnes to have limited her supply in any way, since they have paid all claims. This arrangement was to have been terminated January 23, 1980, but the case is now under review. Some press accounts of this unfortunate incident indicated that Mrs. Barnes would have to go on welfare in order to afford the supply of Flexical that she requires had her insurance payments terminated.

There is help available for cases such as this through a special assistance program administered at the local level. It is not necessary to be in receipt of family benefits or general welfare assistance to qualify for special assistance.

One last word: although Flexical and many similar preparations are not registered by the federal government as drugs in Canada, the Ontario drug benefit plan will pay for them as exceptions if a doctor certifies in writing that the patient requires such a preparation for medical reasons.

Mr. S. Smith: Supplementary: Given the statement which the minister has just made, how does she explain the fact that as of 1 p.m. today Mrs. Barnes has not heard from either the insurance company or the Ministry of Health? All she had received was a call from the provincial secretary expressing concern on Friday, but basically had heard absolutely nothing else, was in a complete panic, on her last case of this medicine as of noon today and at 1 p.m. had heard from absolutely nobody about this. How does that kind of thing happen?

Mr. Breithaupt: She'll have to read Hansard.

Hon. Mrs. Birch: My explanation would be that the insurance company is dealing with the employer, not with Mrs. Barnes. We have been assured by the insurance company that all of her claims will be paid. I cannot understand—

Mr. S. Smith: Will be paid, or have been paid?

Hon. Mrs. Birch: This is the information we have been given.

MILK PRICES

Mr. Nixon: I have a question of the Minister of Agriculture and Food pertaining to the increases in fluid milk prices to the consumer. Since the increase is expected to be about five cents by November 9 and the formula, justified by the farmers' increased costs, is only 2.8 cents, does it concern him that the profit level of the major dairies does not warrant the increased cost to the consumer above what the farm formula requires?

Is he aware, for example, that the profit for Becker Milk Company Limited this year was $2,266,000 when a year ago it was only $560,000; and for Silverwood Dairies this year the profit was $1,517,000 and a year ago $294,000? Wouldn't he think that perhaps the dairies ought to come under price review as well as the farmers so that the use of the product is not going to be cut back by overpricing?

[3:15]

Hon. Mr. Henderson: The honourable member is, I believe, as well aware as any of us of the new increase that was granted last week to the milk producers. The increase, as he mentioned, is just under three cents a quart for the farmers—that is, the additional money the farmer will get.

I have no proof; maybe he does. I read in the Globe and Mail that it will likely make a five-cent increase per quart of milk.

Mr. MacDonald: You are going to wait until it is a fait accompli.

Hon. Mr. Henderson: The honourable member is well aware there has been a hearing before the appeal tribunal; the consumers were there, the processors were there and each side had an opportunity to present their case. It was proven that the dollar and a few cents which has been granted to the milk producer does not cover their increased costs since their last increase.

The next question, which really was the question—I want to clear the air on that part—concerned what the processor is going to charge for his milk. I am as interested as anyone, but at this moment it doesn't appear to me—maybe the member will tell me otherwise—that it comes under the authority of this ministry to tell the processor or the dairy—

An hon. member: Why not?

Hon. Mr. Henderson: As I say, I am leaving members that ground to tell me I am wrong. It doesn't appear to me I have the authority to tell the processor or the dairy what they can charge. If these members can tell me the opposite, I am ready to listen.

Mr. Nixon: I was looking at the figures of the profits provided and I just wanted to correct them. The profit last year for Silverwoods was $1,517,658—that is $1.13 a share. The year before it was $561,926, or 42 cents a share. The point really is this: the farmers must justify on a formula before the milk marketing board the increases they get. In this instance, it is 2.89 cents.

Surely the minister, with his colleague the Minister of Consumer Affairs and maybe even with the Premier's involvement, can find out some procedure whereby, using the authority of this Legislature, we are not going to allow this kind of piggyback profit-taking—which is certainly going to be very bad news to the consumers and the producers as well—just for the additional profits of the dairies.

Hon. Mr. Henderson: The member has brought out some very interesting information. When the milk producer asked for his increase—

Mr. Cooke: Why don't you guys support our bill? Are you for the farmer?

Hon. Mr. Henderson: —he went before the Farm Products Marketing Board. It was at the request of this board that he went before the appeal tribunal which has granted the increase. We believe it is not under our jurisdiction.

Mr. MacDonald: Put it there.

Hon. Mr. Henderson: I am waiting for the member to tell me where it is under this minister's jurisdiction to take the action he is suggesting.

Mr. Swart: By way of supplementary, may I ask the minister does he not realize the retail price of milk in the last less than three years has gone up more than 30 per cent? That is substantially higher than the increase in wages and salaries. Does the minister not think his government has the responsibility to do something about this?

Did the minister see the statement of Mr. Robert Lowe, the president of Becker Milk Company Limited, in this morning's paper to the effect the distributors are getting together tomorrow night and will probably settle for a five per cent increase?

If that statement is correct, does he not think it is contrary to the principle of competition and isn't it contrary to the principle of the anti-combines legislation? Does he not think that in itself should cause his government to intervene in this 2.1-cent increase piggybacked on the top of the 2.89?

Hon. Mr. Henderson: The honourable member brings out some very important information. The price of milk has increased 30 per cent. Who knows, maybe it should have increased 50 per cent?

Mr. Swart: What about the consumers?

Hon. Mr. Henderson: Maybe the farmer is still producing it too cheaply. Did the member ever think of that? Maybe the farmer is not getting enough for his milk.

Mr. Swart: Don't you think your government should intervene?

Mr. Speaker: Order, order. Has the minister answered the question?

Hon. Mr. Henderson: I would suggest the route they are suggesting lies with the government of Canada.

ACID RAIN

Ms. Bryden: I have a question for the Minister of the Environment. In view of Inco's declaration of an extra dividend and profits of $72.5 million in the past nine months, is the minister not convinced that Inco can afford to make the necessary changes in its processes to reduce substantially its emissions from the 3,600 tons per day now allowed? If so, will he put a new control order on Inco to require such a reduction before we all die from the horrendous effects of acid rain?

Mr. Rotenberg: She's one of the fishes.

Hon. Mr. Parrott: I would have to say the overstatement of the member should be noted: there is no threat to human life from dying from acid rain. I am sure after all these hours in committee that the member is well aware of that basic fact and I am a little disappointed that she should use such a statement.

Mr. Warner: Both you and the president of Inco.

Hon. Mr. Parrott: There is plenty of concern in this province about the effects of acid rain without trying to cast it in those terms.

Mr. Martel: Where?

Hon. Mr. Parrott: So I think it is unfortunate to have done so.

Mr. Martel: Temporary measures.

Hon. Mr. Parrott: Secondly, as the member knows we are in estimates now on this very subject. It is only tomorrow night that we have agreed to talk about not only Inco but indeed all of the problem of acid rain. I think that would be a great time to explore those possibilities.

I am afraid the member also knows it is not only a matter of having enough money, it's also a matter of having the right technology to do so.

Mr. Martel: Don't give us that.

Hon. Mr. Parrott: I am disappointed that those members who represent that area seem very determined that they will view it in very simplistic terms.

Mr. Warner: Inco has really got to you.

Hon. Mr. Parrott: It is not that simple.

Mr. Makarchuk: You don't want to do anything.

Hon. Mr. Parrott: I have also said that we will take the appropriate action with Inco at the right time.

Mr. Warner: You'll do nothing.

Ms. Bryden: Supplementary: I did want to comment on the use of the word "die." I meant that our ecosystem is in danger of dying and that can affect our life generally. Perhaps the minister will suggest to the

Minister of Industry and Tourism (Mr. Grossman) that he advertise Ontario as the place that is the home of a plant that produces one per cent of the sulphur pollution of the world and produces more than all the volcanoes in the history of mankind.

Hon. Mr. Henderson: Is that proven?

Ms. Bryden: Therefore, is it not something that should have top priority on getting a new order out?

Hon. Mr. Parrott: I am glad the member was prepared to change the word she used because at this time I am sure it's very important we don't have those kinds of misstatements that seem to have filled the media on much of this issue—

Mr. Lupusella: Answer the question.

Mr. Swart: You'd better talk to Drea.

Mr. Mackenzie: We don't have a simplistic approach.

Hon. Mr. Parrott: We have tried to put the facts forward. We will continue to do so in the House and in the estimates.

Mr. Martel: You've been bamboozled by them.

Mr. Warner: You'll do nothing.

Mr. Martel: Mesmerized.

Hon. Mr. Parrott: No, I'm afraid not; not at all. I just wish the members opposite would fully realize the complexity of that issue and make sure their statements reflect that complexity rather than the simplified statement that is here. It is that simple.

Mr. Warner: You knuckled under to them.

[Later (3:28):]

Mr. Laughren: On a point of privilege, I would ask you to rule on this with the Minister of the Environment. The Minister of the Environment, in responding to a question from my colleague, the member for Beaches-Woodbine (Ms. Bryden), indicated the members representing the Sudbury area were being simplistic in their condemnation of the levels of emissions from the Inco superstack.

I would ask you to rule on this because the material the members from the area have used when debating this issue is material from Inco itself, which indicated that in a four-year period they could reduce the emissions from 3,500 or 3,600 tons a day to 1,500 tons at a cost of $299 million, not $2 billion. It's the minister who is being simplistic in his response to this problem, not us.

Mr. Speaker: Order. There's nothing, absolutely nothing, that constitutes a point of privilege—that abrogates your privilege as a member of this House.

[Reverting (3:24):]

HEPATITIS OUTBREAK

Hon. Mr. Timbrell: Mr. Speaker, on Friday while I was in Kingston to take part in the opening of the new health sciences building at Queen's University, which was funded under the health resources development plan of our government, the member for London Centre (Mr. Peterson) asked my colleague, the Provincial Secretary for Social Development (Mrs. Birch), if the ministry was aware of what he called an unusually high incidence of infectious hepatitis in southwestern Ontario.

In response, sir, my staff advised me the number of reported cases of infectious hepatitis, or hepatits A, has actually been decreasing. Rates of cases for 100,000 population have decreased both for the whole of the province and for southwestern Ontario. In 1975, the provincial rate was 8.8 cases for 100,000 population, compared with 5.6 per 100,000 population for 1978.

There has been some increase in the reporting of serum hepatits, or what is known as hepatitis B, with a provincial rate of 3.1 per 100,000 in 1975 and 4.4 per 100,000 in 1978.

It is suspected, as indicated by my epidemiologist in the Ministry of Health, this increase of reporting reflects an increased awareness of the disease on the part of practicing physicans. However, in southwestern Ontario, for this same period of time, the rate in fact dropped from 4.8 per 100,000 population in 1975 to 3.9 per 100,000 in 1978. These statistics are from my epidemiologist in the Ministry of Health.

Mr. Peterson: Your studies are all stale.

Hon. Mr. Timbrell: Mr. Speaker, last Friday the honourable member also referred to a case of leprosy. A single case of this disease did enter Canada recently and was diagnosed by a London physician. While leprosy, or Hansen's disease, is inadmissible to Canada and investigation is under way to determine the cause of the incident, the case is under treatment and is not a threat to public health.

I should indicate, Mr. Speaker, we have in the province at this time a total of 95 cases of Hansen's disease that are registered and under surveillance in Ontario. This is the cumulative total of all reported cases in the province. I should tell you too that in 1979 there have been a total of four new cases in the province.

Mr. Peterson: It is not my intention to raise alarm but the numbers the minister has given us are very stale. This is obviously a survey of last year. I understand those are

the minister's most recent statistics. He said 1978.

My question to the minister is an important question. Is he monitoring this daily? Does he have current, up-to-date statistics about it and can he give this House the same assurances that there has been no increase in the last few months because clearly we are talking about a contemporary situation, not an historical one.

Hon. Mr. Timbrell: Mr. Speaker, I am advised by the epidemiologist from the ministry that the reported cases I have indicated of hepatitis B or the serum type are increasing in the whole of the country because of a variety of factors, not the least of them being a growing awareness on the part of practicing physicians of what to look for, which has been highlighted by concerns about recent waves of immigration into the country and in particular people coming from south-east Asia.

Mr. Speaker: The time for oral questions has expired.

Mr. Cunningham: Mr. Speaker, a point of privilege.

Mr. Speaker: A point of privilege? The member for Wentworth North.

CHEMICALS IN SCHOOL YARD

Mr. Cunningham: Last Thursday, I asked a question of the Minister of the Environment with regard to the possibility of soil contamination in the city of Cambridge. In the minister's response, he indicated he would favour us with an answer the next day. That was Friday. I noticed the minister was here in the House today and I have yet to hear an answer from him or a statement from him with regard to what I regard to be a most serious matter. I would hope possibly you might draw to his attention my discontent and I am sure the discontent of the member for Cambridge on this.

Mr. Speaker: I am sure your remarks will be brought to the attention of the honourable minister.

[3:30]

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF INTERGOVERNMENTAL AFFAIRS

(continued)

Mr. Chairman: When the committee adjourned the other day, I believe the member for Erie said he had a few comments and questions. I recognize the member for Erie.

Mr. Haggerty: I want to address myself to the proposals put forth by the member for Brant-Oxford-Norfolk (Mr. Nixon), as relates to the disaster areas in the province of Ontario.

My main concern is perhaps the criteria of how the ministry accepts a request from a municipality to define the area as a disaster area. I know the minister is well aware of the problems along the shoreline of Lake Erie, where Lake Erie is considered or classed as a tilting lake. Heavy winds come in from the western basin of Lake Erie and cause havoc at the eastern end of the lake. Municipalities, particularly in my area and I am sure in the Haldimand-Norfolk area, at different times have run into difficulties through the high levels of water.

Heavy seas out on Lake Erie can cause considerable damage to the shoreline, particularly to municipal property.

As I am sure the minister is well aware, the city of Port Colborne is celebrating the 150th anniversary of the Welland Canal. It may be an asset to the city of Port Colborne and its peninsula, but when the original design of the canal was chosen, Gravelly Bay was the southerly basin chosen as the entrance to the Welland Canal. It was perhaps one of the lowest spots, the lowest ground levels in the Niagara Peninsula on the south shoreline. The city of Port Colborne now is located on both sides of the Welland Canal.

When heavy seas come in, or high water comes up in the harbour at Port Colborne the water almost goes over the top of the control borders on the Welland Canal. Sometimes it goes over the top of the limit of the canal. Not only that, but the existing drains both on the east side and on the west side of Port Colborne cause considerable flooding to the homes in that area.

I believe it was last spring when they had another serious storm that caused considerable damage to property in the area; basements were flooded with a loss of furniture. In a number of cases, local household insurance will not cover that type of disaster.

I think the member for Brant-Oxford-Norfolk suggested in his comments that maybe we should have a policy or program similar to crop insurance, so people living in an area where annual disasters occur may buy special insurance coverage. I suggest that perhaps the minister should be looking at that.

I know it is difficult for municipalities to understand why assistance isn't given to

them, particularly the city of Port Colborne that is subject to flooding at times, since it seems that you can establish a criteria in other municipalities where you pay a matching grant of 50-50 for fund raising. Sometimes it may be three for one. It was mentioned before by the previous speaker that they are interest free.

I suggest to the minister that where there is that worry along the shoreline of Lake Erie, due to the abnormally high levels of water, that it causes considerable difficulties to municipalities and to the property owners. I suggest we should take a look at the request from the city of Port Colborne for assistance, when they do have the storms in that area, because storms can happen overnight and could be rather disastrous for that community.

I had the opportunity of visiting the area around Vanessa and Woodstock. I will tell you it was the most ravaged area that I had seen, any place, in any disaster. It just indicates that one may not be too sure of any Ontario location in which one may live; that one may encounter a severe storm that may cause considerable damage to property and even the loss of life. I suggest the minister has to take a good close look at the question of the city of Port Colborne and other municipalities along the shoreline of Lake Erie which may ask for assistance after heavy storms and heavy seas.

Mr. Nixon: Just before the minister answers, I expressed some views on this when his estimates were before us a few days ago, but since that time there have been two or three other matters the minister might be able to deal with.

The first is that although I think the fund raising is going reasonably well, the assessment of the damage and the payout to those who require the funding is very slow. I realize also that this is not directly the responsibility of the ministry and that his staff has done a good job in co-ordinating the various programs. But there was a recent report indicating that the assessing staff—the people who are going over the claims of damage—were doing a very careful job. Everybody expects them to, but at the rate they're going it will be many months before even the basic payment gets to most of the people who were damaged by the storm. They could be carried by loans of various types, but I wonder if there's any procedure whereby, with government assistance and perhaps some additional staff from the ministry or some of the agencies associated with the ministry, we might be able to speed this up.

There are two other matters I have discussed with the minister's staff I feel should at least be on the record here and the minister made aware of them. He may very well be aware of them already and want to make a response.

A number of constituents have approached me lamenting that from the damage funds there will be no assistance for the rebuilding of the damaged churches. I believe five or six churches were damaged, four or five of them being United Church buildings. I'm an adherent and member of that church myself. I'm not just sure what the good Lord is trying to tell us but He knows, as do we all, that the members of those churches are very anxious to restore them or to take whatever alternative arrangement they might find best to suit their needs and the needs of their community. I understand there has been some difficulty in approving assistance for the churches and there may even be other provincial programs that would assist in those restorations.

The third thing is—and the minister may be aware of this as well—there are a number of excellent orchards in the area. I have written to the Minister of Agriculture and Food (Mr. Henderson) about special assistance for the farmers who lost their orchards. Naturally the trees in the path of the storm were uprooted and completely destroyed. As a matter of fact I could tell you stories about finding parts of those apple trees two miles from the orchards and up in the tops of other trees. The damage was just incredible.

These orchard trees cannot be equated with normal crops—which I understand would not receive compensation from the normal storm fund. They would be eligible for the normal crop insurance assistance, but the orchard trees take at least seven years to be restored to a state where they are going to produce a crop. As has been pointed out even by people in your own ministry, they could very well be considered a capital asset to the farm rather than just a crop like a field of corn or wheat or even tobacco.

It seems there should be consideration given to recognizing the orchard trees as a capital asset. Perhaps some other program—maybe through your colleague, the Minister of Agriculture and Food—could be found to provide the kind of assistance the orchard growers are going to require. Once they have registered their complaint, and it's been

forthcoming to the Minister of Agriculture and Food and others, they have not been pressing it unduly.

I feel this really should be something that is given consideration in this debate. I think with the attitude the government has shown previously in this connection there could very well be a kind of program established that would meet at least the major part of the problem.

Mr. G. I. Miller: Mr. Chairman, I also have a few things to discuss with the minister that have been in the works for a while.

First of all, I guess, would be Port Maitland. We've had a considerable dialogue and correspondence in regard to programs that might be of assistance to the small community of Port Maitland. It had been flooded out in 1975, I think, and again in April of this past year and one time in between—three times in the last five years. Many of the folks who owned these homes are older residents; I think 20 were affected in this past flood. I would like the minister to clarify what programs there are that might be of assistance to the municipality and to the town of Dunnville.

I would also like to ask the minister how much of the shoreline protection fund has been utilized in the past year and if there is any thought of stepping up the program. We have a particular program at Port Dover just east of the new harbour that was put in a few years back by the federal government. It is encroaching on permanent residential areas and on the water and sewage systems. Now they have extended the sewage system to Woodhouse Acres, which is a subdivision in the immediate area. I wondered if that might be given some priority and if there is any fund for protecting that particular area.

I was asked a question by one of the councillors of the city of Nanticoke who is concerned about the shoreline protection fund. If someone takes out a loan—and I know it is payable to the municipality—and that work is washed away, who is responsible? Is the municipality totally responsible for that loss in the event they are unable to claim and they have no assets? That is a point I would like clarified.

Two other issues have been noted by my other colleague regarding the hurricane. One is, if a home owner had insurance on his home but it was an older home and wasn't adequate and he needed more funding, could he borrow for the remainder at six per cent? Is there any qualifying figure there?

Second, the Long Point Conservation Authority is, as requested, doing a lot of cleaning up in the streams which were tree damaged in the tornado area. I think 25 per cent of the funding will have to come out of this year's budget. They were wondering if there might be some special assistance. I think the funding would be in the neighbourhood of $2,500 or $3,000 to clean up the streams and waterways in the tornado area through the Long Point Conservation Authority.

Those are the questions that concern me at the present time. Perhaps the minister could answer them for me.

Mr. Warner: This government has been operating for quite a few years on an ad hoc basis in disaster funding, dependent mostly upon the ability of the local community affected to raise a certain amount of money. I am wondering if the government has any plan in mind to take this important program out of the realm of ad hoc and put it into some more definite planning, particularly where that planning will mean that communities are not going to be obligated to a certain percentage of the total funds required.

While I can speak with some emotion about my own area, which was affected by flooding a while back, the people in our area in perspective to the entire province, did not suffer so much. They were not faced with the same kind of difficulty as the people in Field, for example, or Iron Bridge. When you ask a small community like that to come up with any dollars—and I think the ministry is anticipating $50,000 from Iron Bridge, which is a lot of money for a small community—in perspective, it isn't the same difficulty for the people of Scarborough as it is for the people of Iron Bridge.

[3:45]

I had suggested prior to this minister taking office that we try to establish a permanent type of fund whereby you set aside a certain amount each year and put it into a trust so that at times when we're lucky enough not to have natural disasters we accrue some interest on the money to carry us through the difficult times, such as last year when it appeared we got more than our fair share of natural disasters in the province. For some reason that suggestion has never met with favour from this government. I would appreciate the minister's comments.

Mr. Ziemba: I would like to talk about some of the sewer problems and disaster problems in High Park. The minister may know there are miles and miles of new sewers

and drains being laid in Metropolitan Toronto. I don't know if the minister is aware of the method of operation involved.

What I discovered in my riding is this: The sewer construction company, in this case, Beaver Underground Structures Limited, canvassed the area and found they were going to have some difficulty because the greater part of High Park is built on filled ground. There are a lot of underground creeks and rivers in High Park. They realized they were going to have some problems, but they didn't bother telling the city or telling the residents about any of the problems they were anticipating. They very quietly hired a consulting firm to go out, photograph and monitor seismographically the construction as it progressed.

In one area in south Parkdale, on Parkdale Road in particular, after a few months of construction, most of the houses started tilting one way or another. The people complained to their local aldermen, the aldermen complained to the city officials and the city officials said, "We're off the hook, none of this affects us. We've got a contract with Beaver Underground Structures Limited where they take full responsibility for their actions and the city is not liable for any of the damage to property."

The people got together and realized Beaver Underground Structures had protected itself as well. Beaver had investigated all the properties, found out where there were cracks and where there weren't cracks and it was able to make a very good case for not having damaged anyone's property, even though some houses are almost tilting over and one house is about to fall down. They have denied responsibility and have offered the residents in the area only token settlements.

I brought the matter up with city officials and they are reviewing it because Beaver Underground Structures has gone over budget and is asking the city for a couple of million dollars more. Before the city goes ahead with giving them more money I've asked them to hold off on their final payout until the residents in the area are satisfied their damages are paid.

The question has come up about compensation from the minister's emergency fund. It seems to me developers like Beaver Underground Structures should be closely watched by municipal authorities and when they damage someone's property the government has an obligation and a duty to make sure people are fully compensated not only for damage but for the loss of enjoyment of their property, which is another point.

This construction has been going on in my riding for two years. Great big well-drilling derricks are in place on Parkdale Road and this well-drilling outfit runs 24 hours a day, which means constant noise vibration and dust. People who have taken pride in their homes and who have their life's savings tied up in their homes are being denied the use of their homes. They can't park their cars on the street because of the workers' cars taking up all the available parking, even though the residents are paying the parking fee to the city.

I think government in this case has an obligation to step in and monitor a situation like that, knowing full well that when a developer moves into a very densely populated area like this there are going to be problems. People should be informed in advance that their properties may be affected, so they can also hire consultants or whatever and can get the other side of the picture. Instead of the developer's having all the ammunition it would be proper that the residents should have access to the same information.

I'd like to take the minister on a tour of my riding some day to show him some of these cracks in buildings, and buildings that have tilted as a result of the draining of an underground river. They dug a cavern 36 feet across underneath one street. All the homes on the street were affected one way or another, some more than others. I don't know if the minister has any solutions to their problem or if he can offer any relief. I'm sure it would be most appreciated. People in that area have lost confidence in the way government does things. It seems that government has prided itself on being able to operate with some of these construction firms, but it doesn't work out that way as far as the city of Toronto is concerned.

Beaver Underground Structures Limited has damaged many properties and has offered to compensate very few people for the damage it has done. I'd like the minister to look into this matter.

Hon. Mr. Wells: I'd be happy to make some inquiries and see what I can find out in this particular matter. I haven't had any personal knowledge of it. I understand in simple terms what the problem is. Certain works are being done on behalf of the city of Toronto by a firm called Beaver—what is it?

Mr. Ziemba: Beaver Underground Structures Limited.

Hon. Mr. Wells: Beaver Underground Structures Limited. And in the course of

doing this work they've caused damage to some of the properties?

It was always my understanding that firms carried insurance to cover that kind of eventuality or contingency, and people could make application to the company that carried the insurance for that firm. I would have thought the city would insist that anyone who tendered on a job would carry that kind of insurance.

I recall when the government was widening Highway 401 through Metro, it went through my riding as it did through many of the members' ridings. There was concern at the time that certain damage would be done to homes. After some early bad experiences with the process, somebody came around from the then Ministry of Highways and took pictures of the walls of all the homes; then if anyone claimed that they had been cracked or in any way damaged during the work they could immediately check it out. If that had happened there were adjusters there to see that the cracks and the damage were repaired.

That's the way I think that kind of thing should work. I don't think it is anything that would involve our government in any way. It's quite a different thing from the disaster relief fund and the kind of events we were talking about in the other context a few minutes ago in this debate. But I'll be glad to take a look and see if I can elicit any other information from the city's building department or works department on this particular matter.

Let me give a few answers to the questions that some of the members have asked about disaster relief and the fund and some of the operations of the fund in other areas.

First of all, I want to say that our disaster relief program is not an ad hoc program. We have a disaster relief policy. The only thing that might in some way be termed ad hoc is the application of the policy in so far as the amounts of matching funds are concerned. It's well known in this province's municipalities and communities that we do have a policy. It's anything but ad hoc. It says that if one sets up a committee and if the council by motion asks us as a cabinet to declare its area as a disaster area, based upon a certain occurence that has occurred in that particular area, and if the cabinet so declares it, then the cabinet then declares what the matching amounts of money will be, and this program then goes into effect. As I say, it's not an ad hoc program; it's a program that's there to assist in disasters that occur.

Mr. Nixon: It's a program only in that you keep doing it the same way.

Hon. Mr. Wells: That's right, but precedent is a great way. That's the way we run this House, I think, or at least we do part of it anyway. That's why the member for Brant-Oxford-Norfolk and I spend our weekends reading May—sometimes. Actually, I guess, it's the member for Riverdale (Mr. Renwick) who's the expert at reading May over the weekend.

Precedents, however, can become policies and, as I say, most of the municipalities know this is the approach this government has had towards disaster relief. Believe me, within a very short time of any disaster occurring, a resolution from a council is usually in here through our field office and cabinet is making a decision and the full machinery is kicking in.

However, that doesn't preclude the fact that we can look at the whole operation of this procedure over the next little while. There's no question, as many members have mentioned, that this year it has probably operated in more cases than in any year that I can certainly recall.

In so far as the operation of this fund is concerned and the Woodstock-Oxford area that my friend was talking about, first of all, in so far as the churches are concerned it has been our determination—and I think my staff has been talking to you about it—that if the local committee wishes to include churches in the arrangements for reimbursement we would have no objection to that. If the local committee in the Oxford area decides that it would accept claims from the churches—and I saw those churches there; many of the United Churches were completely razed and are going to have a job rebuilding—if the committee would like to assist them we certainly wouldn't object to the churches being included with private homes. Therefore they would be eligible for assistance out of the fund if the local committee so decides.

I think that in a like manner the decision has been made that orchards also could be counted as a capital asset and therefore the owners of the orchards could make application to the fund. If the local committee wished to consider those eligible for reimbursement it could do that.

We have no objections in those two particular areas, provided the local committee is willing to accept them as claims against the fund. I would think personally that this should happen in the area where the tornado hit, because I understand they have a sizeable fund. Therefore there should be adequate money to assist the churches, the

orchards and any of the other endeavours that are making claims against the fund.

It was also mentioned that there's difficulty in getting payouts from the fund. I'm told that part of the problem there is not so much the lack of people to assess the damages and come up with the kind of paperwork that's necessary for the payment to be made, but rather it's because there is so much insurance involvement connected with those claims; the fund people want the insurance claims settled first before they then decide how much they're going to pay on top of it. I think that, of necessity, has slowed up the procedure.

The member for Chatham-Kent (Mr. Watson) was just telling me that in the Dover situation, where there were some hardships, the fund in that area has been advancing money to people based on the likelihood of the final determination of the amount of the claim. They've been making some advances to people who haven't been able to straighten up all the details to put in their final claim and so have not left them sitting waiting with no assistance.

[4:00]

In so far as shoreline properties are concerned, I guess the only answer I can give my friend in that regard is our shoreline properties assistance program, of which I am sure he is well aware. It is a program under which municipalities provide loans to people to remedy damage that has been caused by high water levels and so forth to properties along the shoreline. It is under our Shoreline Properties Assistance Act. Our subsidies branch, of course, can make all those details available to the various municipalities. That is a program whereby the municipality actually makes the loan and then we provide the backup assistance and cover that on behalf of the municipality.

A question was also asked about what happens if a person having applied for that loan, and the work the money was used for washes out the next year, who is responsible for the loan. It is my understanding the person who applied for the loan is responsible. In other words, if you borrow money to make certain repairs under that program it is the same as any loan; if something happens to the thing you buy with the loan you are responsible for repayment of the loan.

I understand the Port Maitland situation is concerned with waves, not high water. The homes affected there are on the other side of a street, is that correct? You are interested in Port Colborne, I know, but the Port Maitland one is concerned with waves, basically, and homes on the other—

Mr. G. I. Miller: Wind was a factor in raising the water level six and seven feet within a few hours.

Hon. Mr. Wells: Yes. As I understand it, they are not on the shoreline, so under the definition of a property affected in our shoreline properties assistance program they wouldn't be eligible, they are across the road. I think you have written us about that and we have suggested that perhaps the Ministry of Housing might have some programs; but technically it doesn't fall within the shoreline assistance program.

Mr. G. I. Miller: What about the Great Lakes flooding program; is that separate from shoreline protection? I might point out to the minister it is not caused by waves; it is the wind action forcing the water level up on this side of the lake. In April of this year, at 3 a.m. it was normal, and by 9 a.m. it was up six and seven feet. I think there were 20 homes flooded. It went out as quickly as it came in. When the wind died down the water dropped back out.

If it doesn't fit under the Great Lakes flooding program I wonder what that program is for; is it going to be utilized and could they fit it into that financial program?

Hon. Mr. Wells: As much as I can ascertain here at the minute, we don't have a program that would cover the situation in Port Maitland. We haven't had a year when property owners were eligible for aid under the Great Lakes flooding program since 1975.

The shoreline assistance program doesn't apply to the problem you are referring to in Port Maitland. It would appear at this time there is no program within this ministry to cover that situation.

I would direct you to the Ministry of Housing. It may be they have something, but I can't think of a program we have that would cover those homes.

Mr. G. I. Miller: The Minister of Housing (Mr. Bennett) has answered me to the effect that in the home renewal program there is money available if they can fit the criteria, I think the Minister of Housing has indicated that.

The question I am concerned about is what is the Great Lakes flooding program for if this little municipality doesn't fit into that?

Hon. Mr. Wells: It is for a completely abnormal water level on the Great Lakes, caused by general circumstances resulting in damage—

Mr. Haggerty: Lake Erie is two and a half inches higher than normal.

Hon. Mr. Wells: —all along this particular shoreline. It is not to cover damage from waves caused by wind at a particular time in the year. It is a different program.

Mr. Makarchuk: I thought I would clarify this in the minister's mind. This problem evolves when the lake waters are high. What happens in effect is that when the water is high and the wind blows in from a certain direction, the lake has a tendency to "tilt," as it is known in the local vernacular. The water level then rises about six or seven feet and floods the areas.

But the initial problem is that there is a high water level in the lake, it is considered to be "in a state of flood." The combination of a "state of flood" and high winds creates this problem. So perhaps it could be looked at in that light.

When the lake is at its normal level this problem may still manifest itself; but certainly not as severely as on occasions when the lake is in flood.

Mr. Haggerty: I thought perhaps the minister would be looking at some of the questions I proposed to him before, and with which I led off this afternoon.

I think I indicated that it relates to the level of Lake Erie, which is now about two and a half inches above normal. It has been high for the last four or five years. Even so, the lake level has increased two and a half inches over what it was a year ago, which is way beyond the level it should be.

The reason I bring this to the minister's attention is because I mentioned the city of Port Colborne. I should thank the ministry for past help in giving substantial assistance to the city of Port Colborne for certain drain systems in the area. When lake waters rise at a height of seven or eight feet almost everything is covered.

I should not speak only of the city of Port Colborne. The town of Fort Erie has a major program to install storm sewers and municipal sewers. In the last heavy winds and high seas from Lake Erie, every home in Crescent Park in Fort Erie was flooded. Even with the check valves in the drainage system and the municipal sewage treatment scheme, homes and basements were flooded.

The same thing applied to the city of Port Colborne. Taxpayers complain of flooding. The municipality hires engineers and a consultant comes in with a study and report. He is the one perhaps who does the final job. Then the Ministry of the Environment is involved. For some unknown reason they all have more problems after the new installation of sewers. Houses are still being flooded, even after installation of safety precautions. When the lake level rises in that area, water pressure causes eruption of the lines.

This is why I think the minister will have to change his criteria. When people make a request for assistance under the Great Lakes flood damage program fund, in which there is $450,000, I think instances such as Port Colborne should apply. Property owners are not to blame. They bought their land and property without realizing the full extent of this type of problem. Yet in both of these municipalities, they run into this problem year after year.

These people are being flooded out year after year. I sympathize with them. I think when they pay for service from an engineering company, they should receive the best from those involved. Obviously they are not. I think it is time that this ministry looked into the quality of engineering service received by some of these muncipalities to make certain that they are not being short-changed on a product they are purchasing. After all, they had their problems before that and they were told, "When you have sewers and storm sewers installed, this will resolve all the problems." That didn't happen in this particular area.

I suggest to the minister something is going to have to be done. They can't seem to collect the household insurance they purchased. It doesn't solve their problems. The insurance agent usually says it's an act of God and that gets the company off the hook as far as paying out claims. I suggest there's got to be some other government measures whereby people could buy special insurance so they can get some protection, the same as the farmer does when he wants crop insurance. I suggest there's a problem in that area. The property owners have paid for good engineering service. Whether they have got it or not I don't know, but when you have three bodies involved in it—the consultant, the regional engineering staff and the Minister of the Environment's engineering staff—they can't come up with some solution to it, there's something wrong with our system.

Hon. Mr. Wells: I would be happy to take a look at some of the situations my friend has indicated. I am not personally aware of them, although I understand some of the problems go back 15, 20, 25 years probably, based upon the determinations of the community to allow development in areas that have probably not been the best place for development. Of course it's easy to look back, but a lot of our problems are caused be-

cause of that. Probably there are properties that are too close to the shoreline—

Mr. Haggerty: These are away back.

Hon. Mr. Wells: —and it would be better if they weren't there. I can't really offer any other assistance or help at this time, except to say it's the kind of thing we can look at. My friend knows the programs available at the present time here—the special emergency program, the shoreline properties assistance and so forth.

Mr. R. F. Johnston: While the minister is being inundated by flooding problems, I would like to talk of something a little high and dry which reflects upon the Robarts commission report. I want to know a couple of things.

In our erstwhile weekly in Scarborough, the Mirror, I remember seeing an article which, if it didn't say definitely at least implied you might be providing some legislation this fall in terms of the term of office of local elected officials; which would be something I would support, that is a move to the three-year term as proposed under the Robarts report and supported by all the municipalities I have seen. I am wondering if you do intend to bring in that legislation this fall; and if so when?

The other side of that, for which I would hope the minister might bring in legislation that would fit along with it, would be about election expenses of candidates in the municipal field. The same kinds of privileges now given to provincial candidates and federal candidates might be extended to municipal candidates, specifically in terms of Metropolitan Toronto.

I don't presume to suggest I would know the situation for other communities across the province, but we are now dealing with almost all full-time aldermen in the city, people who are giving up their careers or livelihoods to undertake full-time aldermanic work. A lot of them are spending as much on campaigns as we do ourselves in provincial campaigns. It seems to me a number of them have been putting themselves into debt, which is an awkward kind of thing. I would hope if you are intending to bring in legislation on term of office extensions, which would reflect that kind of responsibility in view of the total involvement by aldermanic, board of control and other members of local councils, you would also bring in legislation that would allow them election expenses just as we have them.

[4:15]

Hon. Mr. Wells: I recall responding to a question very much similar to that a few days ago when these estimates were on. I guess that is one of the things with the estimates going over such a long time, we eventually work around to the same subjects.

I think the matter of campaign expenses, some kind of municipal election law or election act similar to the provincial election financing act that would apply to all municipal elections was discussed. I recall that I said at the present time there are certain provisions in the Municipal Elections Act that allow municipalities to call for disclosure and to lay down certain ground rules for the conduct of municipal election campaigns.

At the present time I do not have any plans to bring in a general municipal election expenses act. I would be happy to consider it and to take a look at it. I would like to hear some viewpoints from various people on it. It of course has great ramifications for the treasuries; the provincial treasury, of course, because I guess the key to any election expenses act is the tax deductibility of contributions.

We now have a program of tax deductibility or a tax credit system for campaign contributions to federal and provincial elections, which is a very good one from our point of view, but I guess from the treasury point of view it is a fairly rich sort of tax credit system. In fact, it is a better—what is the right word we should use?—perhaps a better break for the individual than contributions to his church or charitable organization. The tax credit for political contributions amounts to more than the deduction from taxable income of the 10 per cent for charitable and religious purposes.

I guess the question that would have to be answered is how much further we can go and to what degree for municipal election campaigns, where you don't have the control and the discipline of a party organization to decide that candidates officially are recognized and entitled to give out the receipts that entitle you to the tax credit and so forth.

I know my friend is just itching to get up and say: "We will immediately take the responsibility for giving out the tax receipts to NDP candidates." You realize, of course, that probably this kind of measure, as I see it anyway, would move us one or two or three steps closer to actual complete party politics in the municipal area. It would make it very difficult for an independant; even though he might be a card-carrying member of one of our parties, if he wasn't officially recognized perhaps and wasn't entitled to have the contributions deducted the way we

are, he would be at a distinct disadvantage to the so-called accredited person, who had the opportunity to give out receipts and allow for the tax credit on contributions.

There are all these ramifications that come up when you look at extending our system to the municipal field, a field which has traditionally been less structured and with less party discipline, certainly less party discipline than at the provincial and federal level where a person who has decided he wants to run for school board or council has been able to get a committee together and go ahead and run anyway, without party backing or without any official sanction of any kind. You get into all these things when you develop this particular kind of legislation. I don't see that on the horizon at the moment.

In so far as the three-year term is concerned, there is no question that we have received a number of resolutions and requests for the three-year term and, as I indicated I think several times in this House and at some of the municipal associations, we have been looking at it and we are still looking at it as one of the things that it might be possible to do.

I have been testing out opinion, because I knew we were looking at it. I know we had resolutions from cities. We had the commissioners from the various regional studies recommending it—Robarts, Stewart in the Hamilton-Wentworth study, and I think Mayo in the Ottawa study and others. I've been trying it out on groups I've been talking to. I must say I've been rather surprised at the result.

I asked a meeting the other night, when we were discussing municipal affairs, if they thought it would be good to move to the three-year term. Out of a group of about 75 in the room only three people thought it would be good to move to the three-year term. Most of the people thought they would like to stick with the two-year term, thank you very much.

As I say, I was surprised, because most of the municipal associations and councils are writing us suggesting we move in some way towards a three-year term in this province. We haven't made any decision on it yet, but it's still being looked at very carefully.

Mr. G. I. Miller: Mr. Chairman, there's one question I asked the minister, regarding the six per cent loans and who could qualify. For example, if someone didn't have enough insurance to cover replacement costs could he qualify for that six per cent loan in the disaster area?

Hon. Mr. Wells: I'll have to get the answer for the honourable member, because the loan program has been operated by other ministries in conjunction with the banks and so forth. I don't have that information immediately available. I'm not sure we have it here, but I'll get the answer on that.

Mr. Charlton: I'd like to go back to the minister's statement of October 12 on equalization factors. I have a number of questions in terms of the way things will be handled. Perhaps it would be easier if I went through the questions one at a time.

The first one is, I think, probably one of the most important. The minister mentioned a number of times that officials of his ministry would be available to provide information to the municipalities in terms of how these new proposals would affect those municipalities. My question to the minister is, is the information that his ministry is prepared to supply to the municipalities specific to those municipalities? Is it just a general statement of what will happen to those municipalities or is it specific?

The reason I ask that is that the equalization factors were released, I believe, on July 14 and each municipality went through a very hairy process of attempting to evaluate specifically how those new factors would affect their municipality. The larger and regional municipalities which had access to expertise or available staff got the job done quickly and easily.

In some of the smaller municipalities the job was much more difficult. I don't think any of us want to see the municipalities go through that whole process again in terms of determining the specific impacts. I'm just wondering if the minister's staff are prepared to provide specific data to each municipality that will show the effects of these new proposals.

Hon. Mr. Wells: The answer is yes, we would be happy to provide data to each municipality to suggest to them how the program should be used for the new factors in connection with the 1980 grants and apportion the purposes.

I think it has become obvious that we can't do that in a proper way until we have the 1980 grant announcement. In other words, we need the details of the resource equalization grant, the standard and so forth, the criteria that will apply and some of the other factors to assist the municipality. We are hoping to have that available shortly after mid November.

I indicated to the Provincial-Municipal Liaison Committee on Friday that, if we

could we would have it for the meeting which I think is set up for November 16. If we can't, we will try to have it about a week later. I hope that then will allow our field people to be able in a more detailed way to explain the whole grant procedures to him.

As far as the apportionment is concerned, we are already embarking on the explanation of the apportionment part of the process to the various municipalities.

Mr. Charlton: I have a number of specific questions about the program itself. In our discussions with your ministry and with revenue and so on since July, most of us were of the impression that probably we would get some kind of a phase-in of the new equalization factors over several years. Obviously, this package just includes 1980 and nothing else.

Why just the one year? What is the intention of the ministry? Is it to look at what funds are available each year in order to reduce the impact of the total implementation, or are we looking at something totally new for 1981, something totally different? Obviously, the limits set on increases this year will help, but not a lot if the remainder of the total impact goes into place in 1981.

Hon. Mr. Wells: I think I could put it this way. What we are doing is coping with a one-year problem here. We had talked about phase-ins at different times, but we have rejected a phasing-in process because that means that one accepts the ultimate direction those new factors lead to. I am not sure people want to accept that, which is a taxing policy matter really and more than just a use of the factors to compute the grants and apportionments.

Also, of course, there will be different factors next year. These equalization factors will not be the same because they are unfrozen and Revenue will be producing new factors. Based on our experience with the first batch of unfrozen factors, our desire is not to change taxing policy through these factors. We are not ready at this point in time to say what might be a more ultimate, long-term use of the factors or what process we want to use. So we have developed a program for this year only to allow the use of those factors for grant and apportionment purposes and to try to limit the bad effects they would have in various areas.

Mr. Charlton: A couple of your comments were rather significant. I don't think the factors produced by this year, 1979, will be radically different from the ones we have on next year's list, judging from the performance in the market value sector so far this year.

At any rate, I was interested in your comment that we are not necessarily accepting the direction in which the new factors are ultimately taking us. I am very interested in that comment because obviously one of the things that concerned us was the inherent shift built into those factors, away from municipalities with a fairly significant commercial-industrial base and towards municipalities with basically a residential-farm or residential-suburban base.

[4:30]

I'm quite interested to hear you say we're not accepting that as a reality which eventually has to be reached. I would hope the minister will be discussing with us through the months to come in the House, options and alternatives to reach that point eventually.

Mr. Makarchuk: I just have a few brief comments to make to the minister regarding our favourite topic. I see my co-patriot, the member for Brant-Oxford-Norfolk, is here. This will bring to the minister's attention the fact that he has installed a procedure to try to resolve some of the problems of amalgamation or restructuring or regionalism, whatever he wants to call it. The point is he has finally taken some steps and has instituted a procedure. We hope it may work out.

I just want to caution the minister at this time that it's probably not going to be an easy route. From my understanding of what has gone on at some of the meetings recently, there have been some problems and some fairly adamant stands taken by various parties involved in the discussion.

I want to tell the minister that despite the rather intimidating statements that have been made at the meetings, I hope he and his officials will continue and will proceed with the plans he has to try to resolve the problem. I don't want to see him backing off.

I commend him on the fact that finally he has taken some action; that after many years of people beating at the doors—not necessarily while he was in that ministry but while other ministers were there—he's trying to work out some procedure. I want to convey to him that generally the people on municipal council, in Brantford anyway, are not necessarily the happiest group of people with the process. However, they are prepared to go through the process; they would like to see it work.

I hope from his end that sometime in the future when the flak starts getting a little heavy, and the stuff comes at him, he does not back off and decide to postpone it or

try to go on some tack, at least not until this particular process he has set up now has been exhausted. I want some assurance from the minister that he will pursue the situation as he has set it up at this time.

Hon. Mr. Wells: I can give my friend the assurance he asks for, that the Brantford, Brantford township, Brant county annexation-amalgamation issue is, as we view it, a pilot project for testing out some procedures that we hope then could be used in other areas of the province. We have worked hard to try to get agreement on the procedures and the timetabling that could be used with those procedures.

I must pay tribute to all the local people. It hasn't been easy. Some of them have had to give up some of their ideas of what they thought should happen. Others have agreed to things that perhaps they would have rather seen done differently. But basically, now, I think we have agreement on a process and a timetable with that process.

I'm committed to go with all of them and see it right through to the end. We are hopeful it will work out the problems in a way that is going to be satisfactory to everyone—all those people there and the members of this House who represent those areas.

Mr. Nixon: I'm very glad the member for Brantford feels this process is an important step forward. I think the political spokesmen for the county area also find it quite acceptable. Certainly I, too, hope the minister is not going to take any action before the process reaches its end. If by any chance there has not been a complete and mutually agreeable disposition by that time, I suppose we're right where we are now.

Having reviewed the matter one more time, I believe the process is a very interesting one. It will effectively, and I trust usefully, consume the time between now and about March 30, 1980. I forget exactly what that timetable calls for, but at that time I'm sure the member for Brantford, myself and the minister would hope that all sides will be fully satisfied with the solution and that we can then proceed to other debates and other programs for the useful development of the area.

I would simply point out to anybody who might be following this discussion that as I see it we are going to be examining the facts in the case. We are going to be treating it in some manner almost like a labour dispute or perhaps even more closely a dispute in the educational system by which, with the very best offices and the best-informed outside conciliators and advisers, the two sides will be guided towards reaching an agreement.

I suppose eventually, in the event that a mutually acceptable conclusion does not come through this procedure, we may be back here again advising each other and the minister what to do.

I hope the minister is not overconfident that both sides are going to be pleased with this. While we're quite prepared to accept the procedure, I think with even some enthusiasm from some people I've spoken to, I hope the minister in the back of his mind is looking at some of the alternatives for development in the area, which we have discussed in this House previously—joint economic development and the provision of industrial expansion and the jobs that go with it. Improvement of the assessment situation for all of the municipalities concerned can be brought about with provincial leadership, not necessarily moving municipal boundaries or redistributing the powers in any far-reaching way.

I personally have felt that the future in this problem lies not so much with the location of a new boundary between the city and the township area, but perhaps in sharing the powers associated with long-range planning in a more effective way with the urban areas.

I personally have felt that the Minister of Housing (Mr. Bennett), unlike the Minister of Intergovernmental Affairs, has allowed this dispute to interfere with decisions that he certainly should have been making and that certainly should not have been delayed. There has been more than one instance of applications for a draft plan approval for small and not-so-small developments in the rural area which the city of Brantford has opposed for reasons which really don't have much bearing on the approved official plans of the rural areas.

I personally have felt that it's completely unjust and unfair that the power of government is used to delay unnecessarily these approvals, almost holding a disciplinary sword over the rural municipalities indicating that no approvals are going to be forthcoming until agreement is reached on both sides.

There have been a number of instances such as this that I brought to the minister's attention, and since the debate today has been of such a uniformly friendly quality without the usual untrammelled aggression coming from some of the spokesmen, I don't want to stimulate that kind of debate, although it may happen before we adjourn for supper and to greet the cardinal.

I just want to say to the minister that in my view he and his colleagues have exerted

what I consider to be unfair pressures on the rural municipalities, not so much on them but on the citizens in the area who might very well expect developmental proposals to be at least considered by the government since they are a part of the official plan that has been accepted.

I don't know whether the Minister of Intergovernmental Affairs has been as involved in some of these problems as perhaps his colleagues, specifically the Minister of Housing and to some extent the Minister of Transportation and Communications (Mr. Snow). I felt I should indicate my dissatisfaction, at least, in that respect.

Mr. Makarchuk: I thought we would have a rather amicable discussion. However, my feeling and the feeling of, I'd say, the majority of the people in the county is that the approvals have been granted too easily and too indiscriminately, without concern as to what effect they would have on the city and what effect they would have on urban sprawl and what effect they would have on the destruction of good farm land, and on the whole process of growth and development in the county.

This is the reason there is this decision to move towards annexation. Possibly, if the approvals hadn't been granted so easily in the past, the urge or the desire to move towards annexation would not have been so great. At that time, the city would have been able, because of the urban development concentrating in the city where ordinarily it's supposed to be, to provide the stimulus and the wherewithal to improve the downtown area as well as carry on with all the other projects of the city.

There's also another matter of concern. This is not just of concern to Brantford; it's of concern to a lot of other urban centres in Ontario that find themselves in the predicament of providing the services in terms of recreation, libraries, social services, housing, fire and police protection, high schools and hospitals, which cost the local taxpayers. The people living on the fringes do not pay for them. It brings about that kind of inequality in the tax rates.

Mr. Nixon: You're trying to take over the whole county. Your argument's as specious this year as it was last year.

Mr. Makarchuk: The member for Brant-Oxford-Norfolk, who probably couldn't get elected dog catcher if he ran for municipal office—

Mr. Nixon: I have my eye on that job, as a matter of fact.

Mr. Makarchuk: —has never really had any experience, he has never really looked at this.

Mr. Nixon: Brantford's trying to recover from the effects of your last municipal experience.

Mr. Makarchuk: The figures are available. The figures have been hashed over by the treasurer of the city and the treasurers of the various townships and other municipalities involved and there's no disputing the figures. The point is that one of the problems is the urban dweller—this is the resident who lives in Brantford—has to pay a lot of the tax load for the people who live in the fringe areas and the townships who use the services but don't pay for them.

In all fairness, how could you really argue that point? In all fairness, if you're using the services or the facilities that are there, you should contribute to them no more and no less than anybody else is paying in the community. That is one of the items that is of concern.

Of course there is the other problem. If a major industrial firm wished to locate in Brantford or Brant township area, there is not at this time adequate serviceable land to provide it with a place to build its plant or its facilities. Every community that has an eye on the future, that has some concern about what's going to happen five, six, seven or even four years down the road, plans for those kinds of things. That's only common sense. It's not something that's new or something that hasn't been done before. Most forward-looking communities do these things.

You cannot do that in Brantford right now. The point is the industrial land of the city is in small parcels. Probably the largest parcel is something like 20 acres. The others are much smaller. There's no way a major industry could locate in those areas—not even an industry that would require 40 or 50 acres of land and that is not necessarily a major industry.

You should recognize it not only benefits Brantford if an industry locates there. We are in competition with other municipalities. In the first place, you want to compete on some basis of equality with other municipalities. The point is, when an industry does locate in Brantford the people who benefit from it are not just the people who work or live in Brantford, but everybody in the whole county benefits because people who work in Brantford do not necessarily all live in the city itself.

[4:45]

These are some of the major reasons this matter has to be resolved. As the minister well knows, this problem has been going on since 1950-something-or-other, long before I was even thinking of arriving in Brantford or being on the scene.

If you look at the history of the number of discussions, the number of committees and the number of reports, et cetera, that have been provided, and that have been organized to try to deal with the problem, it is a list that goes on and on forever. The words that have probably been spilled out in the cause of annexation or restructuring would probably surpass the Encylopaedia Britannica about a thousand times.

At this time the minister has instituted a procedure. I just hope he doesn't get intimidated by some statements that have been provided by my friend, my next-door neighbour, and that he realizes the majority of the people in the area are trying to resolve it. I may add that even Brant county council is starting to look at this thing in a different way. They too see that there is a problem which has to be dealt with.

Mr. Nixon: Since the member for Brantford is afraid I might intimidate the minister in this regard, I want to assure him that all we are dealing with is the facts. Frankly, the most effective part of the minister's new procedure is to appoint a person known as a fact-finder. It would be a tragedy indeed if the material put forward before us in this House this afternoon and on at least five other occasions from the member for Brantford were accepted as factual.

It concerns me that the fact-finder does not seem to have sufficient independent resources to find out the facts. The procedure seems to be to ask the urban and rural areas and the government to provide the significant data they think would be useful in arriving at a decision and then more or less deciding what is factual by public debate. That may be a procedure we would support under certain circumstances, but when we are talking about the rate at which serviceable land is used up and how much may be remaining from the last expropriation, where the city gobbled up a good deal of the urban assessment, it seems to me these facts should be arrived at independently, not just by the process of debate, public or otherwise.

I think the minister is aware we have had quite a good tradition until about five years ago of close co-operation between the city and the rural area. As a matter of fact your former colleague and our good friend the former mayor of Brantford, also a former Minister without Portfolio, Mr. Beckett, when he was mayor of Brantford seemed to be able to work very closely with the rural areas and a broad spectrum of shared services was developed where the financing procedure was agreed on. In spite of what the member for Brantford has said, it has been amended quite regularly so that the rural component of the users does pay its way. Actually the argument is very much in the other direction.

We live in an area on which even Brantford doesn't have its beady eye glued, that is, South Dumfries, although the member for Brantford feels the final solution, which I think is the way he phrases it, is for the city of Brantford simply to extend its boundaries to the edge of the county. I can assure the House that that couldn't possibly happen unless by some joke of the gods the member for Brantford should find himself in a position where he had anything other than an opinion to express.

I do want to say, for example, that in the area out in South Dumfries where my wife and I belong to the local tennis club, the club was bought and paid for and the work carried out by local initiative and by using local funds but about 80 per cent of the membership comes from Brantford. The same is true of our arena. We built the arena by local subscription. We built it before Wintario was ever thought of and we worked hard to build it. When one goes up there on skating nights or any other occasion, I would think about 60 per cent of the people come from Brantford.

It seems to me the initiative of the people in the councils in Brantford in the member for Brantford's time was somewhat inadequate in providing for the use of their own people.

As a debate, this could obviously go on interminably. That is why a fact-finder with an impartial point of view can actually look at the figures and decide what is necessary if we are going to approach some position of balance and equity in the payment of these services.

I can remember, talking about the Brantford arena, that in 1967 the township of South Dumfries turned over our entire centennial grant to Brantford to assist them to build their arena, because they really didn't have one. It was by the co-operation of the whole county that they have that very fine facility. I would suggest that any hockey team from the St. George area that went in there and tried to get time would certainly be laughed out the back door.

This is a matter surely, as I say, where fact-finding is essential. What the member for Brantford puts before us as fact and what I put before this House as fact are going to have to be assessed in terms of the balance of service and what is going to be effective for all concerned.

The member for Brantford has also indicated clearly that the city of Brantford cannot undertake any more effective industrial expansion because its serviced land is all used up. Part of their program, of course, is to leapfrog a large section of the township of Brantford out into an area which the Brantford township has developed around the old airport, which was a Royal Canadian Air Force training base during the war. The city of Brantford is contemplating running long service lines through the rural area three or four miles out there.

It seems highly impractical when the minister knows—and I've brought it to his attention repeatedly, which means that he does not forget it—that there are large areas between Brantford and Paris served by the main line of the CNR, other rail connections and highway 403 which could be readily serviced, which have had the gravel et cetera removed, which are an ideal setting for a major industrial site, well drained, readily serviced and at a crossroads of communication.

The member for Brantford has already said an industrial development benefits many municipalities and it is not necessary to live in Brantford to benefit from an expansion there. By the same token, I would say to the minister that one doesn't need to live in any specific municipality to benefit from a planned industrial expansion in the area, which should go in the large multi-acre worked-out gravel pit. That is the area where provincial initiative is going to be necessary. It will never be developed by the local municipalities because they don't have the resources.

Here is an instance where the minister might very well leave his mark on municipal affairs. He may choose to do so by the exercise of his undoubted diplomatic powers and abilities. If we really want to move forward in what I would consider to be a more useful way, I hope he would consider some of the alternatives in addition to the one we are presently exercising.

Mr. Makarchuk: I am glad to hear the member for South Dumfries is so well aware of what is going on in South Dumfries. What he doesn't realize is the fact that the council of South Dumfries is very perturbed about the fact that other people use its arenas and are not paying taxes and it is really actually talking very seriously of involving itself in some type of an amalgamation process. It rather amazes me that the honourable member with all the facts doesn't know what is going on in his own council.

Mr. Nixon: I think South Dumfries could do better things.

Mr. Makarchuk: I should also like to point out to my friend that it is very nice of him to talk about patches of serviced land in various places in the county—or rather I should say land that's available for industrial growth. What he doesn't realize yet is the fact that water and the crud don't flow uphill. We have to provide sewers and we have to provide services. When we provide sewers we have to make sure they will run to a sewage treatment plant. That is something he hasn't really discovered yet. Those are matters of concern.

We point out the fact that the land that has to be taken over, moving in the direction of the airport, is the area that can be serviced. There is a trunk sewer in place ready to go across the river which would lead to the sewage treatment plant. This area can be serviced by gravity without having to put in expensive pumping stations.

Mr. Nixon: Five miles away.

Mr. Makarchuk: Not only the cost of the pumping station but also the operation that has to be added on to it. These are factors that he doesn't know about.

He talks about my stint in council. I was chairman of executive, chairman of real estate, chairman of development, chairman of technical advisory committee, chairman of personnel, vice-chairman of a few other committees. I sat on the planning boards of both Brant and Brantford. In the process, during that period of time, I may add, we built an aquatic centre, we built a recreational centre, we started home improvement programs. One of the things I am extremely proud of is that the city of Brantford under my chairmanship managed to build single-family homes at $32,000 a home. This is something that the great and mighty province of Ontario, with all its resources, has yet to do in this province.

I have no apologies to make about my stint on council. One of the things I learned when I was there was to look at the facts, to look at what was going on. I would suggest that the member for Brant-Oxford-Norfolk do a little bit of time on council and perhaps he might find out what he is talking about.

Hon. Mr. Wells: Having listened to this last exchange for the last few minutes, Mr.

Chairman, I think I will go back and meet with Brantford city council and Brant county council. It seems rather tame compared to what I hear here. That's actually just a facetious remark.

I appreciate the suggestions that have been put forward. I am not going to comment because I believe the process itself has a good possibility of succeeding and hopefully we will straighten out a lot of the problems and a lot of the solutions that are looked for in that area. I will take under advisement all the advice that's been given. Hopefully out of the process will come the answers to what has been a subject that has been talked about in the estimates certainly as long as I have been in this ministry.

Mr. Laughren: Mr. Chairman, I want to talk to the minister about a problem I suspect he at least knows about and has assigned one of his people to work on. That is the problem of a small community of almost 4,000 people called Chapleau.

The minister may know that Chapleau was put under supervision very recently by his ministry. Actually the town requested it and it was complied with by his ministry. An official from his ministry in Sudbury is looking after the problem. It's very complex and it's serious. The debt of that municipality is, I understand, approaching $2 million. For a town that size, it is of course more than one would wish.

The thing I wanted to raise with the minister is that it's not 10 years ago that Chapleau came out from under supervision and launched itself on its own. Now here we are back under supervision again.

There are some things that worry me about what's going to happen now. Admittedly the debts are substantial. There are a lot of unanswered questions about which I would just as soon not comment at this time because the minister's people are still going through the documentation.

But I would like to say one thing to the minister: I suspect that from this point on, every time there's a required service in Chapleau the town will be told its debt is so high the ministry simply cannot approve any further expenditures. I understand why the ministry would do that, but there are a number of projects there that simply cannot just die. I will list them very briefly.

One is the completion of the Cedar Grove Lodge, a senior citizens' nursing home complex. It's brand new—it was opened a year ago—but last spring the roof started falling in and pieces of the walls started falling out and the insulation is inadequate and I believe there are lawsuits involved with it. I was in there on Saturday and saw for myself what was happening. Next spring, it's going to happen all over again as the ice freezes in the eavestroughs. Water is going to come through the walls and the ceiling, and we are going to have the same problems all over again.

So even though there are financial problems in that community, something like that cannot be allowed to continue. It has simply got to be fixed. The problem is going to get worse before it gets better, and at this point absolutely nothing is happening. The municipality is sitting there as though transfixed because of the supervision of the Ministry of Intergovernmental Affairs.

[5:00]

Secondly, a bridge and road are required over to what is called the Planer area, which is an area where the sawmills are and which is the home for almost 1,000 people. I could describe that area to the minister, but I only wish he had the kind of schedule that would allow him to come to Chapleau and take a look at some of the problems in the community. They are very serious.

The sewer and water problems in the area known as the Planer are unacceptable in Ontario today. There is an area right outside the town boundaries which has the sawmills in it, and they are not even within the boundaries of the town. Why not? Why is that not part of the town of Chapleau? That simply has to be brought in, both for increased assessment purposes and so proper services can be provided for those people.

In the spring, because the roads and streets are so bad the people park their cars and carry their groceries through the mud to their trailers or to their homes. That is ludicrous and something has got to be done about that.

There has been a lot of wealth come out of that part of Ontario that has benefited all the rest of Ontario, and when I go in there and I see those kinds of conditions I just find it totally unacceptable. When I was over in that part of the community on Saturday, I had to drive very carefully to get my car around the potholes, which were filled with water. It was very muddy, and it is just a complete disgrace that has been allowed to continue all these years.

I can see the municipality throwing up its hands now and saying, as it has for 20 years, quite frankly, "We can't do anything about it because we are under supervision and the minister won't approve these kinds of expenditures." I am not looking to increase the tax burden on the people of Chapleau, but I want to tell the minister that something

like that is plainly and simply unacceptable. I think an argument could be made that the minister should look at Chapleau as a special case, and the immediate area outside of Chapleau known as the Planer area, and say: "This has gone on long enough. This situation is too bad to be allowed to continue. We have got to move in there with some kind of special assistance." I really urge the minister to do that.

The water over there is in bad shape and the sewage system is nonexistent, and yet there are almost 1,000 people there. That simply is not appropriate in Ontario as we head into the 1980s.

It is the strangest problem. Even within the municipality, I will tell the minister how strange it is. A fellow came to see me and he said: "Look at this. I just received a letter. I have been living here for 10 years in this house, paying my rent to somebody, and I get a notice from a government ministry that says I have got to vacate the property and remove all the buildings and clean up the property because the property is not mine, and there have been no taxes paid. Not only that, my next-door neighbour has had the same problem."

I went and talked to him. Sure enough, two people on the same piece of property have paid taxes, have lived there, built their homes there, and are now being told to get out and to destroy the buildings in which they live. That is unacceptable, and it has been allowed to continue because any ministry of government has refused to move in there and say: "This is ludicrous. We have got to get a proper plan of subdivision for the whole area—not a part of the area, the whole area that is known as the Planer, whether it is within the boundaries of the town or not." That is something at which the minister should take a look.

I have talked to the Minister of Northern Affairs (Mr. Bernier) about it until I am blue in the face. You might as well talk to a tree. Nothing happens. I urge the minister to have his people take a look at that. He has some people in the Sudbury area who know the problem, they understand the problem very well. I don't expect him to know it in detail, but he has people in his ministry who do know it and who do know it is a serious problem, and I would ask that he talk to those people with a view to resolving that problem.

There is one other minor point that has nothing to do with Chapleau. I wonder if the minister could take a look, when he is talking to municipal officials, about the whole principle of extending sewer and water lines within existing communities. I will give the House an example of what I mean, and I am sure it must happen to other municipalities around Ontario.

A municipality has a number of small communities within it; it could be a rural kind of municipality. The one I live in is the town of Walden, which has a number of sprawling small communities in it. The municipality, through the region, with the blessing of the region, the Ontario Municipal Board and the Ministry of the Environment and everything, extends its sewer and water line. Everything is going fine. What they are doing is extending them into new communities and bypassing existing ones.

It doesn't seem right to me that people live in a community for many years, own homes and property, and see sewer and water lines going into new communities and bypassing them. I don't think that is fair.

Mr. Philip: It's suicide for the voters in those communities.

Mr. Laughren: I would be outraged if I was in that community, had been there for years and saw services going into a brand-new community. In that one in particular, their wells are polluted with sodium. That means that people who suffer from hypertension or heart disease cannot drink the water. They have had letters from the Sudbury district health unit telling them they cannot drink the water. They have no proper sewage disposal. What happens? The lines are extended to other areas.

I know the minister can stand up and say that the region establishes its priorities, and that's true. I'm not putting the blame on the minister. I'm just saying somebody should talk to the municipalities across Ontario and say, "Look, for heaven's sake, if you're going to extend sewer and water lines, look after existing communities before you start directing services into brand-new ones." That surely doesn't make any sense at all.

Mr. Acting Chairman: Are there any other speakers on this vote?

Hon. Mr. Wells: I was just going to comment on the comments about Chapleau. I appreciate the comments. As my friend knows, the municipality is under supervision. There are three of our people working full-time in there now—Ted Foster, Gord Wilkinson and Bill Downing. They're all doing various jobs. As their reports and work are completed, in a month or so, I think we'll have some idea of what needs to be done. We'll then look to see what the solutions are for that particular area to make sure the people of the area are not deprived of the

kinds of services my friend has spoken about. But it's going to take at least a month to see exactly where everything stands at the moment, and from there we'll see where we go, particularly in regard to—

Mr. Laughren: Cedargrove, that's an immediate problem.

Hon. Mr. Wells: Cedargrove Home, as you mentioned, is an immediate problem. But I understand, just from a quick discussion about it, that it's not an easy problem to solve. It's rather complex and there are a number of ramifications to it.

We're going to try to get to the bottom of it so that it can be corrected and hopefully repaired and put into operation.

Mr. Laughren: Very briefly, I'd be very happy if I could extract a commitment from the minister to have his people take a look at that area I was describing, which is just outside the boundaries of Chapleau, the Planer area, because I think they're serious. It's a matter of time before they run into more serious health problems because of sewage and water and so forth.

As far as Cedargrove Home goes, the minister is right, it is complex. But I don't thing the construction problems are as complex as perhaps the legalities involved. If the work isn't done now—better insulation put in and the problem solved with leakage—it's going to be too late; we'll have that same problem next spring.

Hon. Mr. Wells: I'll take a look at the other problems.

Mr. Swart: Mr. Chairman, I know that most of the general items have been covered probably two or three times by different members who have spoken. My colleague from Wentworth has put forward many proposals and suggestions which I think would benefit municipal government in this province. I rise to reiterate some of those suggestions and to ask some further questions on some matters of principle of the minister.

I am concerned, as I'm sure the minister is, that AMO has dropped out of PMLC which, if AMO stays out, it will be a very ineffective organization. I'm sure the minister would agree with me on that, because AMO is the large one of the three organizations which have been in that group.

It's fair to say that AMO has dropped out largely because of this government's policies, or lack of them, with regard to municipal financing. Year after year after year they have been led down the garden path. The promises that have been made to them have not been lived up to. As a result, they have become so frustrated, as most municipal people have across this province, that they have little faith in the co-operative procedure with this government and they have, at least temporarily, opted out of the structure which has been set up for discussion between the provincial government and municipalities.

I would like the minister, if he would in reply to me and to others who raised this issue, to give some idea of his philosophy regarding the financing of local government. Should local government be financed primarily out of property tax? Should the amount of money which is transferred to local government be tied to the revenues of this province or the expenditures of this province? Should it be tied to the percentage increases in municipal expenditures?

The other provinces in this nation, generally, are moving towards some form of guaranteed revenue-sharing. Although this government has rejected that, I would like to hear what the minister's philosophy is. Is it just going to be done ad hoc from year to year, based on whatever the government feels it can afford to give the municipalities or how much pressure they put on the government? Is that the amount that is going to be transferred?

I realize you are in bed with the Treasurer (Mr. F. S. Miller) in this regard; you don't have autonomy. Nevertheless, you are part of the government, and it seems to me you should give an explanation of what your personal philosophy is as the relatively new—not so new—Minister of Intergovernmental Affairs in this regard.

There cannot really be any effective long-term planning as to municipal governments unless they have some idea of where their revenues are going to come from and how much they are going to have one year following the other. So, I hope you will make some greater elaboration than you have to this time about what your intentions are.

I know there is a study going on, although the outcome of that study may now be in doubt when the Association of Municipalities of Ontario has taken the steps that it has taken. In any event, the final decision rests with your government. It doesn't matter what reports have been made; there have been many of these before on what should be done with regard to transfers from the provincial government to local government.

We can have another report which may bring in certain recommendations. But unless you have some philosophy in your government and have some general policy and principles that should be followed, these studies are just a postponement of the inevitable ad hockery which has been the situation, certain-

ly since I have been in this Legislature and, for that matter, for the 21 years or so that I was in municipal life prior to that time.

I am not unaware of the financial difficulties the province finds itself in. Maybe it is in those financial difficulties at least partly for the same reason that the municipalities have no assurance and there has been no long-term planning by your government either for financing its own expenditure or for giving some sort of guaranteed policy and financing program to the municipalities. I would like to hear something further from the minister on that.

There is a second issue I wanted to touch on briefly, which has been discussed many times in this House, every year in the estimates and every time that municipal government is discussed here for any reason. Your ministry or your predecessor in the combined ministry put out in 1976 a document called, Regional Government in Perspective: A Financial Review.

That document showed rather clearly—and I don't think anybody could put any other interpretation on it—that the municipal costs within municipal government and the municipal expenditures in the areas where they had this extra tier of government were substantially higher on the average than they were where they had a lesser tier of government.

[5:15]

The minister will recall that I extrapolated those figures, made a comparison and came up with a report of my own which showed that it was not really due to the growth, although that, of course, has a bearing on it. It was said that because the municipalities in regional government were growing more rapidly, obviously their costs were higher. In fact we compared cities of comparable growth. One was in a regional government and one was without. It showed that the costs were substantially higher generally for those within regional government.

The question I would like to put to the minister is would he bring that report up to date. It seems to me if these figures were correct at that time and if that was shown at that time is being borne out today—and I suspect it is and that there are substantially higher expenditures and higher costs in municipalities in regional governments—I think we should know it and the minister should know it.

They weren't minor at the time. Those additional costs were perhaps in the neighbourhood of 15 per cent to 25 per cent higher for those municipalities. I know the problems the government has with regard to regional government. What do you do in place of it, if you let it go? There has to be some sort of co-ordination between municipalities in the same geographical district where they have contiguous boundaries and contiguous urban areas. But having said that, it is still important to know whether there is an excessive cost connected to the extra tier of government.

This document showed that there was and that it was substantial. I suggest to the minister that it's now three and a half years since that document was tabled. I would ask if there is any move within his ministry or will he give consideration to doing the same kind of report and bringing it up to date to the present time.

Another matter that has some relationship to this and which I wanted to touch on briefly was the matter raised by my friend from Nickel Belt with regard to the installation of water and sewers and the planning that goes with them. Municipal people are generally unhappy with the planning procedures as we have them now, with the lack of co-ordination in other aspects of planning, such as water and sewer, which involves the Ministry of the Environment and with the fact that they have to make all these municipal decisions and discuss them with the minister. The Minister of Housing then has the responsibility for the planning.

There is no doubt that the classic example of this is in the Niagara region, where at the same time as the Niagara region was passing an official regional plan—how sincere it was has sometimes been brought into question—which was to preserve the prime agricultural land, the Ministry of the Environment was promoting, not just acquiescing in, the installation of water and sewers in all the area below the escarpment. We now have water and sewers in the planning stage or actually constructed all the way from Niagara-on-the-Lake—one of the other clean-ups—to Grimsby. It certainly is clear that if you're going to put in those kinds of services, development is going to follow those services almost regardless of what the plan says.

Here we have a situation where the government through one ministry was saying to them, "You should preserve the prime agricultural land," while another industry was saying to them, "The water and sewer services must go in in this location."

As I say, the municipal people themselves are pretty unhappy about this. They're pretty unhappy also, Mr. Minister, as you must know, about having so many levels of planning, certainly down in the Niagara Peninsula. Not only is it frustrating when

they have to go through four different bodies, but it's pretty ineffective. There is no end result soon enough to accomplish what the municipalities would like to accomplish. I'm wondering if there is any move in your ministry to have transferred to it the provincial planning functions. It seems to me that there should be and it should, in fact, include the Niagara Escarpment Commission.

It is almost impossible for anyone who has land, or a municipality that has to go through the local municipality to deal with its plans there, then to the region. In fact, often it goes to the region first, or simultaneously, and then it has to get approval from the Niagara Escarpment Commission and it also has to get approval from this government. I suggest that if the minister is looking for some ways of saving money he might want to take a look at a four-tier level of planning, which is not only ineffective but is very costly.

I would ask the minister to give some consideration to transferring back to his ministry responsibility for planning. There is no question that the municipal people would like to have that. They have to deal with you on so many other items, and planning is extremely important regardless of other aspects of municipal operations. It is extremely important to them all. To have it separated into a separate ministry, I suggest to the minister, is not a very effective way of operating the planning process.

So on these three items I'll be glad to hear what you have to say in principle. I don't expect that the minister is going to make any major pronouncements because of these questions, but I would say it is pretty important to know, one, what your philosophy is regarding the financing of local government and the share that the province should pay, and, two, the method by which you can give some continuity to it.

It's also important that we find out what is happening financially with regard to municipalities in regional government. Is it a costly operation that we can't really afford? Finally, can the whole matter of the planning process be brought more closely to his ministry? I'll be glad to hear the minister's answers.

Hon. Mr. Wells: Mr. Chairman, I'll try to be brief, although the subjects that my friend has dealt with could certainly form the basis for a whole afternoon or evening session here to talk about some of the fundamental areas in this portfolio and in municipal government.

Let me deal first with his last question. No, we have not considered bringing the planning function and those functions that are now the responsibility of the Ministry of Housing into this ministry. That has not been considered and it is not the government's intention to combine those into this ministry at this time. I won't go any further in discussing that at this time. Perhaps at some other time that may be a general discussion that could be carried on.

Certainly, the point that the planning function and dealing with the provincial government by municipalities on this matter is an important one and one that probably takes as much time as their dealings with us in other municipal areas is a valid assertion. Of course, there are many other ministries in the government that also deal on a regular and continuing basis and have programs with the municipalities. It's impossible to have them all in one ministry. However we can't sit still and say that because it's done this way at this time it should never be done in any different way.

The suggestion that planning and the functions of the Intergovernmental Affairs ministry should be combined at some time is one that I'm sure will be looked at.

I'm working in reverse order now: in regard to the comments about the financing of regional governments and the cost of regional government and whether costs are increasing and the whole area of cost-benefit of regional government, I appreciate the report that he has quoted from and drawn to our attention. I think that rather than update that report, as I indicated a few days ago I would rather take some of the methodology from the Waterloo regional study and try to apply that to some of the other regional governments and use the criteria and the methodology developed there. I think that it's perhaps a little more up to date and can be useful in getting at some of the information we need to be able to assess regional government.

As the members probably know, in the Waterloo study, using their methodology—and the study's a very interesting one—they come to the conclusion that contrary to the opinions held by many residents of the region of Waterloo the cost of local government has not increased substantially faster than it would have under the former system. Second, it is no more expensive in comparison with similar areas inside or outside regional government. Third, after four years of regional government the average per-thousand property tax is lower in real dollars than it was four years prior to regional government.

We've taken the methodology used in the Waterloo area and applied some of it to the

member's own region, the region of Niagara, and hopefully we'll have some kind of document ready for presentation very shortly to everyone who would like to see it. It gives some interesting comparisons on costs over the last 12 months.

Mr. Swart: It should be province-wide—all the regions.

Hon. Mr. Wells: We'd have to take the various regional ones and then take some of the province-wide figures and pull them all together. Certainly I'm just as interested as the member is in having some more data and we're looking at the various ways of getting it. I'm saying it may not just be updating that particular report, but rather getting some different types of financial information out so we can use it to assess the costs of regional government.

The other matter we talked about is the member asked about my philosophy of financing local government or municipalities. My philosophy would be that local government, municipal government, should be financed from basically three sources of revenue: the property tax, transfers from provincial revenue sources, and local fees and charges, which make up quite a sizeable amount of the revenue the local municipalities gain. Basically from those three sources I see the costs of local government being financed.

The levels of property tax and provincial transfer, of course, are very important. Naturally, none of us believes in an excessive property tax. We also believe that the property tax needs some other method of correction—and in this case I'm talking about property tax credit, which I see as a matter of correcting what can be a very regressive tax.

In other words, we've taken the property tax and, I believe, made it less regressive by the introduction of the property tax credit. We have indicated that we believe we should move even further in that area to alleviate property tax for certain people through a property tax credit and therefore remove a large measure of the regressivity from the property tax.

That's the one area where provincial funding is used to offset property tax. That's done through the tax credit, a system which doesn't directly involve the municipality.

The other method is the revenue transfer —provincial funds to the municipalities to allow them certain moneys to operate the functions they must carry on.

[5:30]

As we all know, those transfers fall into two categories, conditional and unconditional. By far the largest amount of money in this province is transferred on a conditional basis as opposed to an unconditional basis. I suppose we should be working towards more unconditional, less conditional. That, in itself, presents some real problems.

When you look at what other provinces have been doing in this particular area you find that no one I can recall has approached the area of transfers, revenue guarantees, whatever you want to call them, in a manner that has completely covered all the transfers. We were attempting to develop a formula that covered the totality of transfers from the province to the municipality, all the conditional and unconditional grants lumped into a formula that would set overall total, bulk amounts. Most other provinces have revenue transferring agreements but they do not cover the whole gamut of transfers in their particular provinces, as I recall.

I also recall, notwithstanding those kinds of agreements—revenue transfer agreements, legislated formulae, whatever—other provinces have still come along and in a unilateral manner done things which have affected the finances of municipalities. I recall the province of British Columbia decided to freeze mill rates or control mill rates. There were certain controls brought in last December, quite unilaterally and quite without consultation, notwithstanding a revenue sharing agreement; much to the chagrin, as I recall, or at least the amazement and at least mild anger, of the municipal associations in that province.

Having abandoned the Edmonton commitment, as we all agreed we would last year, what we were working on here was some kind of formula, in the first instance a short-term formula, that would let everyone know where we stood in so far as provincial-municipal transfers were concerned.

Let me back up just a minute. In abandoning the Edmonton commitment last year we announced what our formula would be for transfers; we announced we would pay to the municipalities grants at a rate of increase the same as the rate of increase on our own provincial expenditures.

Mr. Swart: And you welched on that one.

Hon. Mr. Wells: Did we welch on it?

Mr. Swart: Yes, you did; unilaterally.

Hon. Mr. Wells: Let me just tell you. We announced it would be the same rate and that rate would be five per cent. Then we had a bit of a disagreement with the municipalities over what would be included in the increase in provincial expenditures.

Mr. Swart: The original statement is the same rate.

Hon. Mr. Wells: I recall the original statement was five per cent; and then the Municipal Liaison Committee, after hearing our announcement, said the MLC on behalf of the municipalities of Ontario called upon the government to increase transfers to municipalities by six per cent rather than the five per cent announced, a difference of $18 million.

The Association of Municipal Organizations also sent a letter, as I recall. I was just reading from the MLC statement:

"AMO came away from a November 16 meeting with the Minister of Intergovernmental Affairs believing the government had accepted the municipal proposal that transfers to municipalities would be commensurate with the rate of growth of provincial expenditures. The association's confidence was short lived, however. Seven days later, the Treasurer advised the Legislature that, while the government was preparing to accept the municipal transfer proposal, and while it was estimated provincial expenditures would grow about six per cent, transfers to municipalities would average five per cent."

That is AMO's wording, not our own. They were saying, although we could argue the provincial rate of expenditure growth with which we were comparing our increase to municipalities was five per cent, we should have included certain other pension matters—

Mr. Swart: It should have included the capital.

Hon. Mr. Wells: —therefore the rate of growth was six per cent. They objected and suggested we change it.

The fact of the matter is when I look now at the total 1979-80 provincial transfers to municipalities, which is $1,818 million, I see we have actually increased the amount over the 1978-79 figure by 6.6 per cent.

We haven't really welched on the municipalities. We had a little skirmish at the time. They suggested we raise it to six per cent and when it is all straightened out we've actually gone a little better and we are transferring something over six per cent to the municipalities in the current transfer year for 1979. Surely the honourable member doesn't disagree with that.

Mr. Swart: Give me an opportunity and see.

Hon. Mr. Wells: All right, I'll give the honourable member an opportunity in a minute. I'll give the honourable member an opportunity to tell me about that right now before I go on to the next part.

Mr. Swart: Mr. Chairman, if I may, very briefly. The Ontario government and the minister have said they would accept the formula as proposed by the PMLC, which was that they would receive an increase at the same percentage rate as the increase in expenditures of the Ontario government. I think I am right in stating that. It was agreed to by the government.

But when the actual statement was made in this House, the provincial government excluded from that percentage increase their increase in capital expenditures. So in fact it brought it down to five per cent. Their estimate then was five per cent, although the provincial expenditures if the capital were included would have been six per cent. Until the statement was made by the Treasurer (Mr. F. S. Miller) there was no suggestion that capital would be excluded and therefore they would get a lower percentage.

Granted, I am willing to concede that the minister gave 6.6 per cent last year, but he knows and I know that that amount of money which he put in the budget is an estimate and every previous year it had been up or down. This year it was up. If he follows the policy of previous years he would in fact recover that in the following year. I hope you are not going to do that, Mr. Minister, and perhaps that would be a good question to ask you right now. Are you going to try to recover what was considered in previous years an overpayment?

When I say the minister welched, I confirm that statement because the thing he was asked for and the thing he agreed to was that he would transfer them an increase equal to the increase in provincial government expenditures. At no time in the beginning did he state that was excluding capital. I think he will agree with me that that statement is correct.

Hon. Mr. Wells: That, I think, is correct. We did not lay down what the ground rules were for those areas of provincial government—

Mr. Swart: It was increase of provincial expenditures.

Hon. Mr. Wells: —operating budgets we were comparing the percentages with. I'm not sure it was capital we excluded. I can't find the details here quickly, but as I recall it was the pension plans that we excluded.

Mr. Swart: No, no; that was the year before.

Hon. Mr. Wells: No, no; I mean even last year.

Mr. Swart: It wasn't, I'm sorry. It was a 12 per cent increase in capital expenditures which was excluded.

Mr. Chairman: Order.

Hon. Mr. Wells: I'd have to look and see, but it runs in my mind that it was the increases in pension plans, because that is certainly one area where we have no control over what the increase will be. We do have a control over capital; we do have a control over the direct operating budgets of the ministries here; but we have no control over the increase in the pension plan contributions because there are various other factors which control those. I can't believe we ever had a 12 per cent increase in capital. But anyway, the point I am making though, really, is that I accept the statement that in that statement that we would increase our transfers to the municipalities at the same rate as we increase our own direct operating expenses we didn't lay down the ground rules last year for what would be included. In that we ran into a difference of opinion afterwards. We maintained five per cent. They said it should be six per cent. All I am saying is that you at least have to accede to the fact that we did finally agree to transfer the percentage of six and a little more.

Mr. Swart: You won't take any of that back this year? Right?

Hon. Mr. Wells: So in actual fact we have lived up to what our commitment was and what was accepted last year. We lived up to our commitment taken either way.

Mr. Swart: You won't recover any of that?

Hon. Mr. Wells: No, no. We are not going to recover that.

Now we get around to this year. This year we said (a) we would set up a committee and (b) we would try to work out some kind of formula. We set up the committee with our ministry and the municipal people. We worked out a formula. We all agreed to take it back for presentation and it was taken back to the municipal side and agreed to. It was taken back to cabinet, and cabinet, for the reasons that have been outlined to the municipalities, was not agreeable to accepting a formula at this time.

The idea of a formula, an agreement, some kind of arrangement for transfers, is not dead and I have told the municipal people this. It's still a very viable thing, but this year for two reasons it was not possible for us to agree to it. One reason was the equalization factor program which we were working on at the time and which entailed extra money above and beyond the normal transfers and which has now been pinned down to somewhere in the $50-million category for education and municipal. The second reason was our uncertainty as a government as to what our transfers will be from the federal government.

Someone from the municipal side then said to me, "The mortgage deductibility plan has been announced so your uncertainty is over." I say that's not so. That's only one part—

Mr. Swart: You can never trust them up there.

Hon. Mr. Wells: We can trust them up there. We trust them and we believe the mortgage deductibility plan as it has been announced will not impinge upon provincial revenues. That's what they said and that's how it will work out. But what we don't know is what the total transfers to municipalities are going to be.

We know they have a policy of trying to cut the federal deficit. We don't know whether their cutting of the federal deficit is going to involve cuts in transfer payments to the provinces. We certainly hope not. We certainly will fight to make sure that doesn't happen. But the Treasurer of Ontario has got to develop a budget of his own shortly that is going to be based upon certain federal transfers. He and the cabinet are just a little leery about tying themselves into a formula with some of these components which provide our revenue not completely answered.

That's the reason we didn't decide to go ahead with the formula that had been agreed upon but the formula idea is still alive. It's still a viable thing. We still want to work with the municipalities to develop it and I am hopeful we can over the next year. I also want to underline that the development of the formula was very helpful to us in developing the kind of transfers that will apply for this year.

The MLC has said to us by resolution that although I offered it an opportunity to sit down without a formula and negotiate what kind of transfers we had had this year, it rejected that and said: "No, you tell us what the transfers will be. If we don't have a formula, we are not interested in sitting down and discussing the transfers." So we are not going to do that and presumably we will have a meeting of the MLC, as I announced a little earlier in this debate, about mid-November and outline what the plans will be for this coming year.

But I am hopeful we are still going to be working towards some kind of formula-sharing arrangement—an agreement that gives some stability to it. Certainly it is part of my philosophy of municipal financing which I

indicated to you is based upon provincial transfers—in other words, money raised on provincial revenue sources to support municipalities and the property tax base. I believe the latter is necessary. I believe we would stagnate and dry up our municipalities if all their money was raised by us and transferred to them. They have to have some taxing source, so therefore the property tax becomes their taxing source.

[5:45]

But in a like manner, I believe that to give to the municipalities some of the taxing sources we have would be to needlessly duplicate and complicate a taxing system which is complicated enough in this country. In other words, to give municipalities the right to have other taxing sources and to carry out the administration of those programs themselves would needlessly complicate procedures.

It would be far better to work out an arrangement, a formula, a guarantee, whereby we raise money through those same methods provincially and in an equitable way pass them on to the municipalities. That is the kind of thing I think makes a lot more sense, so we will be working towards that.

Of course, as my friend has said as an offshoot of that the Association of Municipalities of Ontario became a little exercised—I guess rightly so—when the formula wasn't accepted and said—and I think this was a mistake, but they are entitled to do it—"If this formula isn't accepted by the government within 30 days, we will pull out of the PMLC."

Mr. Swart: They can only take it so many times, you know.

Hon. Mr. Wells: I know, but they had a meeting with the Premier (Mr. Davis). They met with the Premier and they all sat on one side of the table and the Premier and a number of the cabinet ministers were all sitting on the other side. When they made this sort of threat to the Premier I recall him saying, "If any group came into your councils and made that same kind of threat, what would you tell them?" Of course they all kind of looked around and to a man said, "We would tell them, 'Go on, get out the door. You don't come and make threats like that.' We wouldn't accept a group that comes to council and says, 'If you don't do what we want within 30 days, we are going to do this or that and take some kind of dire action.' "

I think it was rather an unfortunate thing for the Association of Municipalities of Ontario to do. I recognize their feelings. They worked hard on the program, as did the other members of MLC, but then so did the other members and they didn't take that same attitude.

Mr. Epp: And the Premier then reminded them of the other grants that they were getting for the municipalities and by implication—

Mr. Chairman: Order.

Hon. Mr. Wells: Listen. The Association of Counties and Regions of Ontario and the Rural Ontario Municipal Association didn't take that same attitude, and the Municipal Liaison Committee is still there. I am fully hopeful that within another couple of meetings the Association of Municipalities of Ontario will be back in meeting with us, because we need them there. They represent a large and important group of municipalities in this province. I hope they will be back, fully participating in the municipal-provincial discussion process, because that is important.

If you are asking my personal opinion I might say I am not sure we have completely the right process at the present time or the right format for the process, but we do need a process. We need a process of consultation between the province and the municipalities and we need a good process. That will be one of the things I will certainly attempt to get back on the rails again. I hope the Association of Municipalities of Ontario is back in there and is there with the MLC.

I really think we need a body that brings all the associations and the divergent views of those associations together, because they do represent different viewpoints. From what I have seen, the Municipal Liaison Committee has been a good catalyst to bring the varying points of view together and to synthesize them so that when they come to government with certain proposals they have been able to sort out a lot of the different opinions before we get them, which is very helpful to us.

Mr. Cunningham: In the time left I would like to favour the minister with some continuing concerns I have about the structure of regional government in the Hamilton-Wentworth region.

Over a year ago—the present minister was not the minister at the time—I know cabinet was favoured with the Stewart commission report, which basically suggested a one-tier system of regional government in the Hamilton-Wentworth region. This, of course, met with a great deal of opposition by the outlying communities and received the support both of the former member for Wentworth and myself. The government, in its wisdom, decided that the report should not be imple-

mented. I would hope it was their disposition that it would not only not be implemented at this time but not be implemented, period. What disappointed me in that particular report was, I think, a sellout on the part of the commission on behalf of the city of Hamilton, or at least on behalf of the mayor, maybe, and some of the council in Hamilton.

Regional government in the Hamilton-Wentworth area has been a failure. It certainly isn't the minister's fault. He was involved in other areas of discipline while these discussions on regional government took place, but I'm sure he'll recall what has happened. The litany of failure is one I could go through but I don't have enough time this evening.

It is a failure for a number of reasons. It's a failure primarily because the costs continue to go up and services decrease proportionately. People in the outlying areas don't know why they are paying the excessive amount of taxes that they're paying yet receiving the limited amount of benefits they're receiving. To draw to his attention an example; I'm sure the minister would be familiar with the part of highway 6 that enters on to highway 403. Adjacent to that portion of highway 6 is a subdivision called Pleasantview. It used to belong to the township of Flamboro and now belongs to the town of Dundas. They have no sidewalks; they have no sewers. Their water comes from wells, or it's trucked in now because the wells have been destroyed by the lack of sewers. It's not particularly well planned. The services are non-existent. Bus service is poor.

Yet these people, as a result of regional government are now paying taxes that are just absolutely incredible. They receive very little for what they're paying. That particular situation is common throughout the region.

Regional government has been no bargain for the city of Hamilton, either. I think if we had a legitimate, honest, open plebiscite in the city of Hamilton, many of the residents would respond accordingly and indicate to you that they are not in favour of regional government.

Another reason for its failure is the imbalance that exists between the city and the outlying communities. That imbalance can afford the city of Hamilton the opportunity of getting what they want at regional council level. To the best of my knowledge, short of a walkout at regional council, which nobody wants to see, there is no method of defence for the small outlying communities if the city of Hamilton chooses to take a course of action.

I would suggest if we were going to have regional government that the city of Burlington should have been included to at least arrest that imbalance as it currently exists.

The primary reason for the failure of regional government in that area is a lack of community interest that exists in the region itself. I would suggest to you that on the far eastern border of the region bordering, say Saltfleet which is represented by the member for Wentworth (Mr. Isaacs), that that area might find its interests more closely allied with Grimsby and that Niagara area.

In Glanbrook they may seem closer to Niagara or they may seem closer to Haldimand-Norfolk. The member shakes his head. After he's been there a little longer he may know.

In my particular area, the town of Ancaster doesn't have a great deal of community interest with the city of Hamilton, notwithstanding the fact that it abuts it; likewise with Dundas. As we go further back into Flamboro—and the member for Brant-Oxford-Norfolk's (Mr. Nixon) farm overlaps the township of Flamboro, which means he has the luxury of paying taxes in both regions—I would suggest to you that people in that particular area have absolutely no community interest with the city of Hamilton, Stoney Creek or whatever.

One particular problem is the lack of political accountability that exists. The chairman is not elected and does not, in my view—

Mr. Martel: You could have voted for that.

Mr. Cunningham: We didn't have a vote on it here.

Mr. Martel: Oh, yes, you could have. We moved the amendment. You voted against it.

Mr. Cunningham: The chairman is not elected and is not politically accountable to the people in the area.

Mr. Martel: Your memory is short.

Mr. Cunningham: Above and beyond that, the structure affords some lack of accountability. If I am particularly displeased as a taxpayer in the village of Waterdown when a decision has been made by the mayor of Stoney Creek, I have no opportunity of indicating my displeasure with his course of action at election time, none whatsoever.

The solution to correct this mess is not going to be easy. I would suggest to you that I think the time is right, now, for some consideration to phase back the powers that Bill 155 has bestowed upon the upper tier to the local municipalities. Inherent in that suggestion is my view that today, now more than ever, we need less government, but govern-

ment that is more accountable. It remains my view that the outlying municipalities and the city of Hamilton itself have the ability to look after their own affairs. That is not to say there couldn't be some voluntary co-operation—specifically, possibly in the area of regional planning—but it remains my view that each and every municipality in that region could operate on its own today.

You will get continued pressure from the mayor of Hamilton, who in my opinion is not accurately representing the views of the city. I would suggest that in future, maybe after the November elections next year—and I anticipate that you will probably still be the minister at that time—you may be in receipt of some plebiscites that may take place during those elections. I think if those plebiscites are clearly worded they may suggest this experiment in regional government be concluded; that the powers be restored to the local municipalities; that the grant structures be re-established as they were; and that we get back to a more clear, more simple, more equitable, and most important a more politically accountable, method of local government.

I hope you will take those factors into consideration if you receive such a plebiscite.

Mr. Grande: I doubt I will have the time I should be devoting to this topic. Therefore, since I cannot see that clock and have no watch, I will be adjourning the debate and will continue next time.

I want to jog the minister's mind a little bit on the borough of York, part of which I have the pleasure to represent in this Legislature. I want to inform the minister that the mill rate of the borough of York this year is probably going to be increasing to about 11 mills—at least the difference between the Metro average mill rate and the borough of York rate is going to be 11 mills.

I know that back in May of this year the minister sent a letter to the mayor of that borough saying you had assessed its particular needs and you were going to send for the one-year-only assessment the sum of $280,000. I want to thank you for that, really I do.

But now that I have finished thanking you, may I suggest to you that the 11-mill difference between the Metro average and that of the borough of York represents approximately $2.7 million. I want to ask you two questions: One, does this government want to lead the borough of York to putting up the white flag and saying, "We quit, because we cannot keep increasing the property taxes of the people of the borough of York"? As you very well know, the break in terms of taxes in the borough of York is about 30 per cent commercial and 70 per cent residential, so any increase in the property taxes is going to come from the local home owners, and the people of the borough of York have come to the point where they just cannot pay this any longer.

If you take a look at one of the studies done in the borough you will get an appreciation of the amount of earning power and capacity of the people who live there. One study is entitled The Borough of York Housing Policy Study. In terms of family income distribution—and you have got to understand this and do something about it—the study says the Metro average of under $2,000 per year is 3.9 per cent; in the borough of York it is 4.2 per cent.

Mr. Chairman: I am sorry to interrupt the member, but I think our time for committee has expired.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House adjourned at 6 p.m.

CONTENTS

Monday, October 22, 1979

Tribute to the Nixon family: Mr. S. Smith, Mr. Davis, Mr. Cassidy 3687

Point of order re Ottawa meeting: Mr. Laughren 3690

Gas and oil prices, questions of Mr. Davis: Mr. S. Smith, Mr. Cassidy, Mr. di Santo 3690

High-speed car chases, questions of Mr. Walker: Mr. S. Smith, Mr. Warner, Mr. Lupusella 3692

Hospital bed allocations, questions of Mr. Timbrell: Mr. Cassidy, Mr. Nixon 3693

Ontario Energy Corporation, questions of Mr. F. S. Miller: Mr. Cassidy, Mr. J. Reed 3694

Energy costs, questions of Mr. Norton and Mr. Maeck: Mr. B. Newman, Mr. McClellan, Mr. Gaunt, Mr. Swart 3695

Chicken imports, questions of Mr. Henderson: Mr. MacDonald, Mr. McGuigan, Mr. Isaacs, Mr. T. P. Reid 3696

Eastern Ontario development, questions of Mr. F. S. Miller: Mr. Sterling, Mr. Gaunt 3698

Annette Barnes, questions of Mrs. Birch: Mr. Conway, Mr. S. Smith 3698

Milk prices, questions of Mr. Henderson: Mr. Nixon, Mr. Swart 3699

Acid rain, questions of Mr. Parrott: Ms. Bryden 3700

Hepatitis outbreak, question of Mr. Timbrell: Mr. Peterson 3701

Point of privilege re chemicals in school yard, Mr. Cunningham 3702

Estimates, Ministry of Intergovernmental Affairs, Mr. Wells, continued 3702

Adjournment 3726

SPEAKERS IN THIS ISSUE

Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Charlton, B. (Hamilton Mountain NDP)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davis, Hon. W. G.; Premier (Brampton PC)
di Santo, O. (Downsview NDP)
Eakins, J. (Victoria-Haliburton L)
Eaton, R. G. (Middlesex PC)
Edighoffer, H.; Chairman (Perth L)
Epp, H. (Waterloo North L)
Gaunt, M. (Huron-Bruce L)
Grande, A. (Oakwood NDP)
Haggerty, R. (Erie L)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Isaacs, C. (Wentworth NDP)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Lupusella, A. (Dovercourt NDP)
MacDonald, D. C. (York South NDP)
Mackenzie, R. (Hamilton East NDP)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
Makarchuk, M. (Brantford NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Miller, G. I. (Haldimand-Norfolk L)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Philip, E. (Etobicoke NDP)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Riddell, J. K. (Huron-Middlesex L)
Rotenberg, D. (Wilson Heights PC)
Samis, G.; Acting Chairman (Cornwall NDP)
Smith, S.; Leader of the Opposition (Hamilton West L)
Sterling, N. W. (Carleton-Grenville PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Watson, A. N. (Chatham-Kent PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Ziemba, E. (High Park-Swansea NDP)



No. 89

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, October 23, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

TUESDAY, OCTOBER 23, 1979

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

DAY OF THE CHILD

Hon. Mr. Norton: Mr. Speaker, tomorrow the United Nations is celebrating the Day of the Child as a way of focusing on the many programs and projects that have been initiated in this International Year of the Child. On behalf of the Provincial Secretary for Social Development (Mrs. Birch), who unfortunately is unable to be here because of a funeral, I would like to draw the House's attention to this occasion.

In Ontario, a great many organizations and individuals have dedicated themselves to the services of children, not just to the special needs of children who require the services of my ministry but to their education, health, recreational and family needs.

During the past year, the government has encouraged and fostered the efforts of organizations and individuals in recognizing the International Year of the Child. The government believes appropriate service to children depends upon a realistic understanding of their needs and the resources necessary to meet those needs. We can help children best when we help them within the family context.

The initiatives undertaken during this past year in fostering the importance of the family unit are part of the government's ongoing commitment to the wellbeing of children. This government is committed to improving the lot of our children. We may not always be able to do all we would like to; however, I would like to remind members of the 9.9 per cent increase in funding of children's services by my ministry this year, at a time when almost all other government programs had to live with a substantially lesser percentage increase. This is in addition to the generous funding that exists within the ministries of Health and Education and other ministries.

I would not want to suggest to the House that our commitment to children should be understood in financial terms alone; as a government we have taken a number of policy initiatives which have assisted agencies and community groups in identifying the most effective way to accomplish their goals on behalf of children. We have made some major legislative changes affecting children, including the Family Law Reform Act, and we will continue these efforts for the children of this province who are, after all, our most precious asset.

Mr. Cassidy: Mr. Speaker, I wonder if it is appropriate to say a word about this being International Year of the Child, in view of the statement which has just been made by the minister.

I would like to be able to join in a very positive way in talking about the commitment of this government to the children of this province, since it is the year of the child. Unfortunately, I can't do so; but I think perhaps it is appropriate to say a word to express our distress and disappointment at the fact that in this year of the child this government has frozen day care; this government has not provided adequate facilities for kids—

Interjections.

Mr. Speaker: Order, order.

Mr. Cassidy: —this government has not proceeded—

Mr. Speaker: Order, order. The honourable member knows there is ample opportunity to express his agreement or disagreement with anything said by the ministry during "Oral Questions."

SECURITIES LEGISLATION

Hon. Mr. Drea: Mr. Speaker, just before the summer recess I introduced amendments to the Securities Act which dealt with questions arising from last year's flurry of takeover bids. Over the summer, the Ontario Securities Commission considered public comments. As a result, we are withdrawing the previous bill and replacing it with consolidated amendments. These changes, which have been discussed with the investment community, clarify the act and fine tune the provisions of the earlier bill.

In addition, the amendments will allow the use of mini-prospectuses which will clear away unnecessary red tape for junior mining

companies and mutual funds without undermining investor protection.

Mr. T. P. Reid: About time.

An hon. member: Back to 1929.

Hon. Mr. Drea: First, let me summarize the amendments I introduced last June. During last year's Simpsons-Sears and The Bay bidding war the Ontario Securities Commission found it advisable to meet with its Quebec counterpart to consider procedural and legal questions. The amendments clarify its authority to hold such joint meetings.

To give investors sufficient time to consider competing takeover bids, the amendments also permit the commission to extend the time limits, depending on the complexity of the offering. The bill also clarifies the provisions dealing with liability for insider trading.

The mini-prospectuses which junior mining companies may use in certain circumstances will provide meaningful financial information while removing the burden and cost of producing a full prospectus.

Similarly, the mutual fund industry will be able to send purchasers a prescribed summary statement instead of a full prospectus. However, the statement must specify that a complete prospectus will be sent on request.

These amendments to the new Securities Act, which has been in effect for only a few weeks, demonstrate the ability of the Ontario Securities Commission to respond quickly to changes in the investment climate. They also reflect the commission's willingness to cut back on red tape, particularly when an important venture such as resource development is concerned.

At the same time, the principle of full, plain and timely disclosure is well served. It is for these reasons our securities legislation is the model for other provinces, and it is for these reasons I ask for the support of the House in ensuring we continue to be both fair and responsive.

LITTER CLEANUP

Hon. Mr. Gregory: Mr. Speaker, to mark the occasion of National Environment Week, which was last week, I am pleased to announce that Mississauga—

Interjections.

Hon. Mr. Gregory: We wanted to see they were successful before we read the statement. Mississauga became the first city in Canada to implement the clean community system.

Interjections.

Hon. Mr. Gregory: I think the people who are interested in the environment might be very interested in this. I'll send them a copy. This system will be Canada's first local-level waste control program to be based on behavioural change techniques.

Mr. Mancini: Where's the minister?

Hon. Mr. Gregory: It is not just a cleanup campaign but an innovative approach to changing people's trash-handling attitudes and practices. It involves the commitment and hard work of individuals from all sectors of community life, including municipal government, business, schools, community groups and the press and media. The program is managed by the group which was just certified by Keep America Beautiful Incorporated as a non-profit—

Mr. Speaker: Order. Ministerial statements are for the purpose of apprising the members of government policy. I would like to know what area of government policy that covers.

Hon. Mr. Gregory: Mr. Speaker, this would be under the Ministry of the Environment in line with National Environment Week, which was recognized by this Legislature.

Mr. Martel: Propaganda Week.

Mr. Speaker: As long as you can put it within the purview of the Ministry of the Environment, but if it has something to do with another level of government, I think it would be inappropriate to classify it as a ministerial statement.

Mr. McClellan: He's the minister without nothing.

An hon. member: He's got to justify his money.

Hon. Mr. Gregory: May I proceed, Mr. Speaker?

Mr. Speaker: If you can develop it. Just outline your parameters.

Hon. Mr. Gregory: The project team for this committee has worked since late last spring to bring about certification and it has received excellent response from the community and the total support of the municipal government. They have already completed a consumer attitude survey, done a photometric index, identified the major sources of litter-related problems within the community and begun the work to solve the problem, that is, to change the trash-handling practices of the persons and corporations involved.

In addition, an extensive litter and solid waste analysis has been done for the entire city and with this data the committee is already plotting the steps for correction.

Interjections.

Hon. Mr. Gregory: It is fair to say that this committee will bear watching and

emulating. The clean community system is one that is already in practice in over several hundred cities in the United States as well as in other countries around the world.

Mr. Cunningham: What took us so long?

Hon. Mr. Gregory: In most reports, litter has been reduced by as much as 80 per cent, with a sustained reduction in litter almost as high or higher than the rate attained through the implementation of the program.

The issue of waste management has now been recognized as a global issue. The fundamentals of the clean community system apply around the world. This is an issue of people working together to solve problems themselves. It is recognized that governments cannot legislate everything but that people's attitudes can be changed through the implementation of a positive and far-reaching campaign supported by themselves for themselves. This is what has happened in Mississauga—

Interjections.

Hon. Mr. Gregory: —people working together for a better community together. A clean world indeed begins on our own doorstep. If we work together with our neighbours—

Mr. S. Smith: For heaven's sake.

Hon. Mr. Gregory: —to keep our cities beautiful, our world will remain beautiful. In the words of Goethe, "If every man would keep his own doorstep clean, very soon the whole world would be clean."

It has been my pleasure to witness this program being initiated in my city. It warrants the attention of all those groups interested in ecology and the wellbeing of our fellow men.

Mr. Speaker: I was most reluctant to interrupt the Minister without Portfolio in his first-ever effort before this Legislature. I want to warn him and all other members that it will not be condoned unless the statement can be specifically tied in with government policy. I think the minister has failed to do that today.

Mr. Foulds: A point of order on that point, Mr. Speaker.

Mr. Speaker: I've already discussed that and served notice on the Legislature how I will deal with it in future.

[2:15]

ORAL QUESTIONS

GAS AND OIL PRICES

Mr. S. Smith: I would like to direct a question to the Treasurer, the minister from Muskoka, now we have heard from Mr. Gregory, the minister from Mississauga East. Would the Treasurer recall that the Premier (Mr. Davis) disagreed with my stand some time ago that oil and gas should carry a much greater weight within the equalization formula in this country?

Given the recent events, now Ontario is facing a very serious oil price increase, is the Treasurer prepared to reconsider the position put by his leader to demand Ontario be included as a recipient of equalization payments under the new conditions which will prevail?

Hon. F. S. Miller: One could argue whether the mechanism needs to be equalization payments or some fundamental redistribution of oil revenues.

The basic position put forward in the Ontario energy paper was simple. Currently, the great bulk of the surplus moneys flowing to government is flowing to a provincial government not committed to the redistribution of that money within the confederation. Therefore, since we as a province have always had our resources taxed in the interests of the confederation, as it should be, we felt these moneys should be used for the benefit of all Canadians when they accrued.

At the same time the ministers of finance, led by Ontario, a year ago recognized the current equalization formula, using as it does some 26 or 27 variables, doesn't well express the wealth of provinces any more. We use the very fact that even under the present formula Ontario had an entitlement. We do not believe Ontario is a have-not province in the definition meant when equalization payments were started and that was, of course, to provide basic services on some kind of equal basis across this country.

We would have to say, though, that with the great flow of money into the heritage fund in Alberta, there has to be a better mechanism to see it is used in the interests of the consumers of this country, the citizens, no matter where they may live.

Mr. S. Smith: By way of supplementary, since the Treasurer has already mentioned the entitlement which would be coming to Ontario, even under the present formula, is it Ontario's intention to claim that entitlement which, I understand, is about $150 million this year? Secondly, would the Treasurer explain why it is he wishes to leave the resolution vague and why would he not insist that oil and gas revenues be considered much more heavily in equalization, given the fact an obsolete manufacturing industry is just as useless as an empty oil or gas well? The argument about depletion shouldn't really

apply when he considers our industry in Ontario is facing a very serious obsolescence situation unless we renew our plants as quickly as possible. Why will he not push for equalization and will he demand the $150 million that's coming to us?

Hon. F. S. Miller: Last year, when I attended the first finance ministers' conference, when asked whether Ontario would or would not accept its equalization money if it was entitled to it, I think my answer was I would take it so quickly the member's hair would stand on end.

Interjections.

Hon. F. S. Miller: The member's hair, perhaps; mine has trouble standing at all. On that basis, the Leader of the Opposition and I have a lot in common, only mine is at the back and his is at the front.

I would only argue the concept of equalization was dealing with a fundamentally different problem from that which is flowing from the oil resources.

We told the federal people we wanted to look at the basic principles of equalization. I believe, when we get around to the first ministers' and the finance ministers' meetings, particularly the finance ministers' meeting, that would be one of Ontario's priorities on an agenda—the restructuring and the redesign of the equalization formula. That's not something that is carved in stone. It's been done before. I think it was in 1962 when the latest change was made, and Ontario would argue the wealth of Canada has changed a lot in that period of time.

I'd like to go to the other side of the coin, though. The member implied, I think, that our industry was run down in the process. I would argue that is not so. The finding of wealth in other parts of Canada hasn't made Ontario poorer. Thank God there are now fewer poor relatives. We will have fewer provinces entitled to share in what has fundamentally been an Ontario source of equalization money. Let's hope Newfoundland finds a lot of oil there.

Mr. Breithaupt: We'll have replacement problems too, though.

Hon. F. S. Miller: We have, in fact, improved the Canadian overall wealth situation. Ontario has some very efficient manufacturing industries.

Mr. S. Smith: But it's depletable.

Hon. F. S. Miller: Sure, it's depletable and requires continuous investment to maintain its position. The automobile business in Ontario, I would hazard a guess, is as efficient as the one in the United States. The steel industry, thank goodness, is more efficient than the industry in the United States.

Mr. Kerrio: The auto pact is not.

Hon. F. S. Miller: The fact is that we would have some industries, perhaps textiles and pulp and paper, that face certain real world problems right now. We would say those industries do need consideration to make sure they maintain their capital stock in a position that allows them to remain competitive in the world.

Mr. Cassidy: Supplementary: In light of the fact that each $1 increase per barrel in the price of oil costs the taxpayers in this province an additional four cents a barrel in equalization payments and only costs Alberta taxpayers one cent a barrel, can the Treasurer say whether the renegotiations he talked about will ensure that Ontarians are not paying heavily for equalization based on oil revenues that Ontarians don't receive?

Hon. F. S. Miller: I think that's where the argument is going on. I'm glad the member used the word "taxpayer" because the Toronto Star, which had its energy edition out today, in one article very well described the problem in a headline. I think if one looks at a good deal of the flow of the moneys, he's not seeing increases in the price of oil; he's seeing tax increases in another form. I think one has to look at that.

I think we could argue very well that a tax is being imposed to move money to other jurisdictions that is going to governments. It is doing nothing, the way it's at present structured, to improve oil security in this country. Therefore it isn't really helping the consumers of this country.

Mr. J. Reed: Supplementary: Does the minister not concur though that the big challenge and one of the great opportunities Ontario has at the present time is to face the manufacturing reality in terms of energy consumption, understanding that we compete in the world market and understanding that Japan gets away with half per capita, France with 45 per cent and West Germany with about 50 per cent of the energy that we're consuming here? Does that not indicate to him that industry has got to move in that direction in this province?

Hon. F. S. Miller: I'm sure industry does have to move in that direction and you and I as individuals have to move in that direction. Our per capita oil consumption in Ontario is the highest in the world. It's six gallons per capita per day, if my figures are correct. I would hazard a guess that Great Britain is three gallons per capita per day

and Germany is in the same range. Japan is probably below that.

It's a measure, though, not of industrial inefficiency per se. It's a measure of how we like to travel, how we like to pass our recreational time, the temperature at which we like our homes—all of those things as well as industrial inefficiency.

Mr. J. Reed: Don't put it all on the consumer.

Hon. F. S. Miller: I would argue that of all the areas receiving attention, the area that is getting the greatest attention right now is that which is in industry because it has an immediate balance-sheet motivation for doing something about it.

Mr. S. Smith: A final supplementary, if I might: If I understood the Treasurer correctly, he says the number one item on the agenda which Ontario insists upon is the restructuring of the equalization formula. If that is the Ontario position now—and if so, I welcome that—can he explain why it is that his leader, the Premier, disagreed with my identical recommendation when it was made approximately one month ago?

Where is the misunderstanding here? Why was it not a good idea a month ago but is an excellent idea and should be number one on the agenda now?

Hon. F. S. Miller: I'd like to read the words I put into Hansard. I thought I said I rated it as an important item. I didn't think I said it was the number one item. If I did, then I don't recall it that way.

I also would like to see where my Premier said it was not an important issue. I think my Premier has implied that Ontario is not a have-not province and that equalization formulae were structured in the beginning to help provinces that had a fundamental lack of revenue, something we don't feel we have. We are only saying that the taxes, or the increases in oil levies, are in fact shifting money away from us that properly should be reinvested here as well as elsewhere, or else returned some way to the consumer to maintain his standard of living.

RYERSON POLYTECHNICAL INSTITUTE

Mr. S. Smith: I have a question for the Minister of Education.

Given the fact that at Ryerson there are five applicants for every available position, vastly unlike the situation at most other post-secondary institutions, particularly the universities; given the unique nature of Ryerson as a place to combine broad education with a more job-related training; given the fact the young people want it, the industries want it and it obviously is the way of the future for Ontario's education, why in the name of heaven is the government of Ontario continuing to starve Ryerson for funds, forcing it against the wall, forcing it to consider closing its higher-cost programs, which are the very ones industry wants it to maintain? When will the minister start to fund Ryerson properly?

Hon. Miss Stephenson: I would remind the Leader of the Opposition that the arrangements for the funding of Ryerson were developed in 1974 with the approval of Ryerson.

Mrs. Campbell: Come on, stop that nonsense.

Hon. Miss Stephenson: In February of this year I was notified by the board of Ryerson that it felt a modification should be made to the funding mechanism. It was requested to provide information to us, to the Ontario Council on University Affairs, in order that an assessment might be made of its request.

I am informed that in July that information was completed almost totally. Shortly thereafter an interview occurred between the president of Ryerson and the Ontario Council on University Affairs. I have been informed by the chairman of that council that it is in fact examining this at the moment and will make a recommendation in the next few weeks about Ryerson's funding.

Mr. S. Smith: By way of supplementary, since this matter has been raised repeatedly here, since it has been going on for almost a year, when is the minister going to act without having to wait for various people to study various reports and then to have committee meetings about them?

Surely the minister understands that 1.3 basic income units on average is insufficient for a polytechnic in today's highly technological age. Why doesn't the minister give some assurance to Ryerson that it is going to get the funding it requires as the main, the only polytechnic we have in Ontario? Why do we have to have this foot-dragging every time Ryerson is involved?

Hon. Miss Stephenson: There are other institutions equating a polytechnic capacity within Ontario. I am not sure Ryerson is entirely and totally unique. I have been reminded with some great frequency by the president of that institution and by others that there is a unique character about Ryerson, about which I have some understanding.

But one does not separate from the entire post-secondary system one institution in order to examine its role without being concerned about the roles of the other institutions.

Mr. Warner: In other words, let them starve.

Hon. Miss Stephenson: I would remind the honourable members that Ryerson has not been starving. Ryerson has continued to function and its restriction upon enrolment has not been any greater than have some of the enrolment restrictions placed upon certain of the limited enrolment programs in various universities in Ontario.

Mr. S. Smith: The medical schools.

Mr. Cooke: Supplementary: The minister, in her answer to the Leader of the Opposition's first question, indicated Ryerson had been talking to the government about this problem for only the last year; is it not true that Ryerson began discussions about this problem many years before she became minister and had been discussing the problem with the now Minister of the Environment (Mr. Parrott)?

For a government like the minister's, which always says it is responsive to the problems of the people of Ontario, why the heck is it taking so long to respond to a problem which is relatively clear cut?

Mr. Warner: It is an annual problem.

Hon. Miss Stephenson: The problem was brought to my attention in February of last year and I have dealt with it since that time. [2:30]

Mr. Warner: Your investigation is like a coroner's inquest.

Mrs. Campbell: Is the minister not aware that there was discussion with the former Minister of Colleges and Universities about this particular problem of funding? Did they not talk to each other?

Did the minister not assure the justice committee that she had in fact read the Hansard of the briefs before that committee? If she did, did she not read what Dr. Winegard said when he tried to prove Ryerson wasn't unique, when he referred to Lakehead University and had to answer the question? Lakehead is not funded the same as Ryerson; Lakehead has the same kind of programs but is funded differently and the space allocations for Lakehead are totally different from Ryerson. When will she respond to those problems?

Hon. Miss Stephenson: I have read that documentation and as a matter of fact I am very much aware that there had been earlier discussions about the funding of Ryerson and that certain decisions were made. A new application was made to me by the president of Ryerson this year. I am attempting to respond to it in the most responsible way that I can use—

Mr. Warner: That's what we are worried about: your idea of responsibility.

Hon. Miss Stephenson: —which is to ask the Council on University Affairs, which was responsible for the initial examination of Ryerson, to consider it and to make some recommendation to me.

Mr. Warner: It's sure taking you long enough.

GAS AND OIL PRICES

Mr. Cassidy: I have a question for the Treasurer on oil prices. Can the Treasurer report what progress he made in his discussions with the federal government on oil pricing last week? In particular will the Treasurer undertake to call in the heads of the oil companies and require them to justify their excessive demand for a $9 a barrel increase in oil prices next year, a demand which the Treasurer's own estimates indicate would cost Ontario 45,000 jobs?

Hon. F. S. Miller: Part one of the question was what success did we have in Ottawa last week.

Mr. Warner: None.

Hon. F. S. Miller: I honestly can't tell the honourable member. I have no commitments to say that we made any progress, but we stuck to two simple themes: first, that the Ontario position enunciated on price, that the price shouldn't go up more than $1 per barrel on January 1, should remain the position until such time as an agreement is made upon the distribution of the moneys.

There is in effect no winning stance in this kind of position. I can only say to the honourable member, as the Premier (Mr. Davis) has said several times, that Ontario has been the lone province over the last several years constraining the price increase in oil. Had Ontario not done that and had we consistently not made our point of view known, all of our consumers today would be paying much higher prices.

Mr. S. Smith: Nonsense. The former federal government kept prices in line. The present federal government caved in to Alberta.

Hon. F. S. Miller: We are now totally satisfied that we should continue with that kind of approach and that it is having an effect and we will see the consumer protected against the kinds of increases being demanded on the front page of the Star today by Premier Lougheed. We have effectively brought the Ontario position before both

federal governments and prevented that from happening. I think that by itself is a major achievement.

Mr. Cassidy: Supplementary: Given the fact that in the first nine months of this year the profits of Imperial Oil were up by 37 per cent to $309 million and the profits of Shell Oil were up by 66 per cent to $174 million, will the Treasurer undertake to call in the oil company presidents and have them justify their demands for a $9 increase next year which, with their demands for future years, could take $12 billion from Ontario consumers in their first four years of the 1980s and give those oil companies an extra $2¼ billion in after-tax profits in that period of time?

Hon. F. S. Miller: I don't think I have to. First, Ontario has very few oil-producing companies within it. If one looks at the structure through the favourable corporate tax structure of Alberta, we've lost them all. They are all domiciled there.

Mr. Kerrio: Go west, young man.

Hon. F. S. Miller: Secondly, that's a federal matter and I would hope sincerely that that kind of discussion would go on at the federal level because that's where the decision-making authority rests—

Mr. Kerrio: They are your friends.

Mr. Warner: You will do nothing.

Hon. F. S. Miller: —and it must rest there because it's a national problem and there's one price in Canada for oil. Therefore, we are continuing to tell it with all the authority, with all the pressure we can. Representing 40 per cent of this country's people and a lot more than 40 per cent of the seats the federal government holds, we are telling them that this is in the interests not only of this province but all the consumers of Canada. We are fighting hard on this.

Mr. Bradley: We didn't hear that during the campaign.

Hon. F. S. Miller: At this moment the Minister of Energy (Mr. Welch) is out west in Alberta discussing these kinds of problems.

Mr. S. Smith: Mr. Speaker, by way of supplementary, since the minister says that over the years Ontario has been trying to keep down the price of oil and it would have been higher if it had not been for its representations and so on, will he not admit there are two fundamental problems with that position?

Will he not admit that the first problem is that whereas Mr. Lougheed always wanted world price there was in the past a federal government which, whatever its faults, refused to give him huge increases and the present federal government caves in, and that the second problem is that Ontario has been led for the last several years by a Premier (Mr. Davis) with so little persuasive ability that he has been unable to convince a single province of Canada to be on the side of Ontario in this dispute with the producing province? Not another province agrees with us, not one.

Hon. F. S. Miller: A couple of years ago, Mr. Speaker, the leader of the NDP gave up smoking.

Mr. Bradley: Answer the question.

Hon. F. S. Miller: Just be quiet. It may seem irrelevant but in this there's a tale.

Mr. T. P. Reid: Just like your answers; they are all irrelevant.

Hon. F. S. Miller: Patrick, Patrick.

Mr. Speaker: Order.

Hon. F. S. Miller: As Minister of Health then, I was the beneficiary of a lot of advice about how I should stop people from smoking because that was a nasty thing. He was converted on the road to Damascus, but the greatest conversion of all by my Premier is the gentleman sitting right there—the gentleman who advocated world price, the gentleman who is now trying to say it is all his idea when it's ours. He's trying to find a position on our side of the fence when he has been on the wrong side all along.

Mr. Cassidy: Mr. Speaker, I have to say as an aside that far from being converted by him when he was Minister of Health, I had to try to convert his government to do any propaganda effort to stop smoking across the province.

My supplementary question is to return to the question of the excessive profits of the oil companies who do 40 per cent of their oil business here in the province of Ontario, wherever they happen to be domiciled, and when they do that business in Ontario the Treasurer knows perfectly well that they are taxed on their business where they do their business. Is the Treasurer prepared to undertake that there will be a windfall profits tax in Canada which will stop the oil companies from taking these billions upon billions of excess profits out of the demands for increased oil prices which they are now putting before the oil ministers in Calgary and the rest of the country?

Hon. F. S. Miller: I guess, Mr. Speaker, I have never philosophically had the hangup about profits that the leader of the New Democratic Party has. He has that hangup. Profits are absolutely essential to guarantee

the supply of oil. Our major concern is two things. One is, are they being reinvested? The information I would have says that 85 per cent of the cash flow is going back into investment in this country right now. The second thing is, is it escaping Canada? That's a real concern, but I have to tell you, Mr. Speaker—

Mr. Warner: Corporate apologist.

Hon. F. S. Miller: —that the basic problem put forward by Ontario was simply, whether you call it a windfall profits tax or whether you call it revenue sharing, a good chunk of any future increase, if any is ever given, must be returned to the provinces or the consumers of the country in a way that does the things that protect our industry, protect our consumption and avoid recession.

Mr. J. Reed: If the minister, rethinking what he just said a few minutes ago in that answer, would take the trouble to correct the record and point out to the House the position of the Liberal Party over the last four years regarding the price of petroleum—

Mr. Eaton: You tell us.

Mr. J. Reed: —and regarding the recognition that we had to pay for oil, we had to pay what it cost, but we, at no time, advocated a move to world price.

An hon. member: Out of order, Mr. Speaker. You can't ask yourself a question.

Mr. J. Reed: I wonder if the minister would take the trouble now, here and now, to stop the deception, in which he has obviously come to believe about the opposition's position on this matter?

Hon. F. S. Miller: Being a member of the government party, I obviously suffer from delusions at times—

Mr. Kerrio: Blue herrings.

Mr. Makarchuk: So far you are right.

Hon. F. S. Miller: —but luckily the people sitting up above me have their heads screwed on right and see the world the way it is. I have to tell the member the day his party followed our position paper with their new position paper the first people to refer to their old position paper were those in the press gallery.

Mr. Riddell: Why don't you tell it as it is?

Mr. S. Smith: Tell the truth.

Mr. Riddell: That's right. All you have to do is start telling the truth.

Mr. Speaker: Order.

Mr. Riddell: It is getting unbearable, the kind of crap we get from over there.

Interjections.

HOSPITAL BED ALLOCATIONS
HEALTH SERVICE CHARGES

Mr. Cassidy: I have a question for the Minister of Health. Given the fact that subsequent to our question about the Willett Hospital, Paris, they were told they have been put at the top of the appeal list, I hope we can get action as quickly on this question as well, Mr. Speaker.

Can the Minister of Health say what action the government intends to take in order to protect low-income citizens of Ontario from being double billed by doctors who have opted out of OHIP?

Hon. Mr. Timbrell: Mr. Speaker, may I answer the Willett Hospital, Paris question now? That is the note I sent you about a question asked previously.

The staff of my ministry have been in touch with that hospital on a number of occasions in the last five or six weeks since they first submitted an appeal on their budget and indicated as recently as last week that their appeal would be dealt with this week. The fact it is being dealt with on Thursday and Friday of this week has nothing whatsoever to do with the member's question yesterday. I am sorry to tell him that.

Mr. Cassidy: It was arranged at three o'clock yesterday afternoon.

Hon. Mr. Timbrell: No. Staff, as I said, have been in touch with them regularly in the last five or six weeks.

I found out they had—and they had not notified the minister they had done this—not filled three beds that had become vacant in the last 10 days or so, on the deaths of three chronic-care patients. We had indicated to them, as we have before, we would rather they did not close chronic beds and asked them to use them right away, which they indicated they are doing.

Further, we found the 14 people who have been referred to as being on the waiting list are already in hospital, 12 of them in Brantford hospitals, two of them in the Willett in active-treatment beds awaiting transfer to chronic-care beds.

They will have their answer within the week on the appeal which is being heard, as I said, at the end of this week.

I may say also that the local health council is working closely with all the hospitals in the county and the medical society to come up with what we hope will be a mutually acceptable plan to make the best use of the existing resources, recognizing the changing pressures on the system in that area.

Now, what was the member's question?

An hon. member: Double billing.

Hon. Mr. Timbrell: This question of double billing: It is not entirely an accurate statement when the member says "double billing."

I know why they use the words they do. It is to lead people to one conclusion, regardless of the facts.

I am pleased to say that even with the increase in physicians billing their patients directly which levelled off in February this year, we have seen those numbers decline in the last eight months. In other words it has stabilized, if you will.

Mr. Swart: Something to be proud of, the stabilizing.

Hon. Mr. Timbrell: We have also found that while we have about 17.8 per cent of physicians billing patients directly, only about 11 per cent of the claims are actually billed directly. So the billing groups in the hospitals are being made good use of, it would seem.

[2:45]

Mr. Bradley: Does that make it right?

Hon. Mr. Timbrell: We found that where people have come forward and put their information before the Ontario Medical Association—which offered in the spring to set up the service they did—these claims can be straightened out.

Mr. Warner: It's not working.

Mr. Breaugh: Tell us about it.

Hon. Mr. Timbrell: I would remind the member that if I was to put into one file all the correspondence I have had from the member's party on individual cases—which are no less important—it wouldn't begin to compare with the total volume of claims that are paid on behalf of the population of this province on a routine basis. We now process and pay approximately 250,000 claims every single working day for the population of the province.

I'm saying where there are difficulties, where people have not been informed beforehand, and where there are these differences between individuals and their physicians, we have found that by using the services of the Ontario Medical Association we can straighten most of those out.

Mr. R. F. Johnston: One of the reasons for my leader asking this question was that a Mrs. Patricia Murphy, in my riding, on a family benefits income of $351 has been billed $66 in excess of OHIP rates and is unable to pay. I am disappointed to hear the minister is still suggesting only that they come to their doctor for charity.

Mr. Speaker: There's no question there yet.

Mr. R. F. Johnston: Would the minister also support the advice given to Mrs. Murphy by Community and Social Service workers in her area? They suggested to her and to my office that one solution would be for her not to pay the $66 or that maybe she should pay $1 a month and hope that a collection agency does not jump into the action. Would the minister suggest this course of action, as well, for people under the poverty level who are being hit by double billing?

Hon. Mr. Timbrell: Mr. Speaker, the honourable member has related a number of conversations but he hasn't indicated whether the patient has spoken with her physician. He hasn't indicated whether the medical association—

Mr. R. F. Johnston: She has.

Mr. Warner: Stop apologizing and do something. Why don't you try protecting the patients from being ripped off by the doctors?

Mr. Speaker: Order.

Hon. Mr. Timbrell: In the correspondence I've had in the last eight months or a year and in the cases of which I'm aware, there aren't that many where the services of the medical association are employed when one considers the volume of services being provided to the people of this province. There are something in the order of 60 million claims a year—more than seven claims per person per year now through the health-care plan. It's the kind of thing that leads us to the same conclusion the leader of the NDP arrived at a few months ago—that you don't use draconian measures.

While I'm at it, I've seen the communique the NDP put out today about the petition it is circulating. May I ask those members to do one thing: have people print or write legibly. Because I want to serve notice on them now that I intend to write every single person who signs any such petition that is tabled here to give them the true facts about health care in this province—not that party's distortions.

TOURISM SUPPORT

Mr. Eakins: Mr. Speaker, to the Minister of Industry and Tourism a question arising from the minister's tourism statement of a week ago Friday, October 12. Does he anticipate this proposed initiative of granting and guaranteeing loans up $18.5 million will have any effect at all on our provincial tourism deficit? This deficit now stands at approximately $600 million, but according to the projections of the Minister of Industry and Tourism could reach $1.4 billion within six years. Does he see this initiative as having a real effect on those projections?

Hon. Mr. Grossman: Yes. I don't know the date or source of that projected tourism deficit, but our current estimate is that this year the deficit will decrease by perhaps as much as $200 million for Ontario. Quite an accomplishment, I think

I believe the program we brought in last week will make a very substantial difference.

Interjections.

Mr. S. Smith: Clever of you to arrange a gas shortage in the States.

Hon. Mr. Grossman: Wait until you see what we have for next year.

Mr. Speaker: Order.

Hon. Mr. Grossman: I believe the program we brought in last week will make a very substantial difference. We would hope to be able to use the money in more selective ways than in our earlier programs—the Ontario Development Corporation programs, for example. By selective, I mean we will be making the money available not just to everyone who comes to the door but to those people who come in with projects we feel will best meet the new and changing market—destination resorts, resorts which are adding facilities for conventions or which want to add, for example, indoor pools and indoor tennis courts, those types of facilities which will draw people in the shoulder seasons and off seasons when they currently have to go out of this jurisdiction to get those kinds of facilities.

If we can tackle that problem, we will be keeping dollars here that currently must go out of the province to get that sort of facility. Indeed, we have a great potential to attract those people who are now coming here in the summer only and would be most anxious to come back, particularly in view of the gasoline shortage, from the border states into this part of the province in the fall or spring periods.

All in all, I think it can make it to a quite tremendous standard.

Mr. Eakins: Is the minister aware that on a comparative basis similar initiatives have been undertaken in British Columbia and in the province of Quebec? While the minister's initiative has been for $18.5 million, British Columbia made available $50 million and Quebec $250 million for tourism alone.

Mr. T. P. Reid: Now they're serious.

Mr. Eakins: Is the minister satisfied that the $18.5 million is sufficient to reduce our deficit here? What new initiatives is he planning to introduce?

An hon. member: That wouldn't keep Minaki open.

Mr. T. P. Reid: Yes, tell us about Minaki.

Hon. Mr. Grossman: To put those figures in proper perspective we must understand that Ontario begins with much better plant, much more diversified plant than some of the other provinces.

Secondly, some of the figures the member has given us are figures that are the result of enormous amounts of funding from the Department of Regional Economic Expansion. I don't remember the figures offhand. I think last year Alberta succeeded in obtaining a DREE agreement for tourism alone of something to the tune of $50 million—half from the province of Alberta and half from the federal government, precisely the point I've been making.

Quebec got a DREE tourism agreement to the tune of $75 million. I think in both those cases and in the British Columbia instance—

Mr. T. P. Reid: What did you ask for?

An hon. member: You didn't ask.

Hon. Mr. Grossman: We have. Those moneys have been applied for major projects such as Whistler in BC and Mont Tremblant in Quebec. Those are fundamental.

We are currently trying to bring to fruition a half dozen of those types of major projects in which this government, I hope with some DREE funds, can make substantial investments.

I should add that one of the things we have in this province—and which we have succeeded in attracting here—that the others haven't is an enormous degree of private sector involvement in terms of the Maple theme park, just to name one.

Mr. T. P. Reid: Supplementary, Mr. Speaker: Could I ask the minister, as a businessman would he invest in a tourist project in northern Ontario when this government gives us platitudes about the help they are providing to the tourist industry while at the same time his colleague, the Minister of Natural Resources (Mr. Auld), allows visitors to the province, non-Canadian residents, to camp, fish and hunt anywhere on crown land for up to three weeks without that costing them a nickel?

What is the incentive for a northern Ontario tourist outfitter to build the facilities the minister is talking about when non-resident visitors can park and camp literally right next to their facilities without spending a penny?

Hon. Mr. Grossman: The fact is NOTOA, the Northern Ontario Tourist Outfitters Association, will probably this year record one of the best seasons they have ever had.

Mr. T. P. Reid: And it could be double and triple last year's.

Hon. Mr. Grossman: Let me tell the member we are doing something about it.

Mr. T. P. Reid: You aren't.

Hon. Mr. Grossman: NOTOA has for years been suggesting initiatives we might pick up, getting back into the sportsmen's shows being one of them—

Mr. T. P. Reid: That was one of them.

Hon. Mr. Grossman: —and we are doing it this coming year.

The second thing they have been telling us is that we have to provide some money to allow them to expand their facilities. They don't see the problem of lack of customers—

Mr. T. P. Reid: They passed a resolution last year. What have you done about it?

Mr. Speaker: Order.

Hon. Mr. Grossman: And we've responded. The member is right; they passed two main resolutions last year—to go back into the sportsmen's shows and "give us some money so we can upgrade our facilities." We are going back into the sportsmen's shows and we introduced a program last week to allow them to upgrade their facilities. To date I believe we've responded to each and every one of their resolutions positively—

Mr. T. P. Reid: Not to the last one, you haven't.

Hon. Mr. Grossman: —and if the member goes back and checks with them he'll see the head of the organization, Dean Wenborne, expressed only one reservation, one only, about our new incentive program. He hopes that as part of it we will ensure there are qualified people to run the establishment that will be supported. PS: that is part of our program. We will ensure that's happening.

Northern Ontario tourist outfitters are well treated by this province, by this ministry, by the Ministry of Northern Affairs. If the member speaks to them he'll find out they're having a great season, due in no small way to the advertising campaign and the support this government has given that part of the province.

HEALTH SERVICE CHARGES

Mr. Cooke: Mr. Speaker, I'll ask my supplementary to the Minister of Health as a new question. What would the Minister of Health suggest to Mr. George Ursuliak, of 428 Parent in Windsor, who was on sickness and accident leave from work and who has been seeing Dr. G. Stecko since August 1978 when Dr. Stecko, in Windsor, was in OHIP and therefore cannot change to a new orthopaedic surgeon? What would he suggest to this individual who is now living on $464 a month; owes the doctor $120 over and above the OHIP fee schedule—and is going in for surgery again—plus $4 extra for office visits? How does the minister expect this individual to be able to pay his medical bills?

Hon. Mr. Timbrell: Mr. Speaker, as the honourable member knows one of the basic principles of the plan is that the services in the hospital would be available at OHIP rates, so that gentleman has the right to insist on the service being provided. In fact, that same surgeon may very well provide it by using the billing group.

I understand about six months ago the medical association wrote to the NDP caucus saying they would like to hear of any individual problems they were aware of so they could deal with them on a professional basis rather than being dealt with on a political basis. I further understand the NDP has never used that service. It works, that's why they don't want to use it, because it works. They can't use them as whipping boys.

Mr. Warner: Why don't you stop apologizing for them? Start protecting the patient for a change.

Mr. Mackenzie: Evading your responsibility.

Mr. Cooke: Supplementary: Does the minister not realize this is a political problem? He's the Minister of Health and it's about time he instituted policies to make medicare work in this province. Why do we have to drag cases in front of him?

Hon. Mr. Timbrell: Mr. Speaker that's exactly the point. They don't. They only do so because they want to try and make use of it for political purposes. The fact of the matter is the system works well. It works darn well and it has worked well for many years in this province.

Mr. Cassidy: Supplementary, Mr. Speaker?

Mr. Speaker: Is the member going to deal specifically with the issue raised by the member for Windsor-Riverside? The question dealt with a specific OHIP claim. If he can relate it directly to that, I'll allow it.

Mr. Cassidy: Mr. Speaker, since you've asked me to be specific, will the minister undertake to protect people like Mr. Ursuliak by bringing in legislation to ensure that doctors do not have the right to extra-bill and that there is one price for medicare in this province?

Hon. Mr. Timbrell: Mr. Speaker, it's very interesting that all through the spring the

leader of the NDP was bouncing all over the place. Depending on whom he talked to, one day he was for opting the doctors in, another day he was for leaving the doctors as they were, another day he was for the Quebec system. It's interesting he's never once advocated the Saskatchewan system which is exactly what the official position of the medical association is in this province. They want patient streaming which his party provided for in Saskatchewan in 1962.

We believe a system based on free choice of the patient and free choice of the physician works best.

Mr. Cassidy: What free choice does Mr. Ursuliak have?

[3:00]

Hon. Mr. Timbrell: In a system where 250,000 times a day, every single day, we are paying claims for services provided to the people there are going to be times when there will be differences between a patient and his physician.

Mr. Kerrio: And the minister wants them to beg.

Hon. Mr. Timbrell: The member's solution is to put the government between the patient and the physician.

Mr. Kerrio: The minister's solution is charity medicine.

Hon. Mr. Timbrell: I'm telling the member that our experience is that the problem can be solved through the services of the profession.

Interjections.

Mr. Speaker: Order. That's how we get into so much difficulty during question period, when the minister talks directly to somebody over there. It's common knowledge that when a member has the floor he addresses the assembly through the Speaker. When we get a minister waving and gesticulating he's going to get a reaction. I caution all members that if they want to wave their fingers wave them at me and not at somebody else.

Hon. Mr. Timbrell: Mr. Speaker, I had no differences of opinion with you, sir. All the distortions were coming from that end of the chamber. I'll be glad to address everything through you, sir.

Mr. Kerrio: Why doesn't the minister just tell us he favours charity medicine?

An hon. member: Tell them the truth. Tommy Douglas ruined medicare.

CHEMICALS IN SCHOOLYARD

Hon. Mr. Parrott: Last Thursday I was questioned about our actions regarding heavy metal contamination on the property of Dominion Tack and Nail Limited in Cambridge. I indicated to the member for Wentworth North (Mr. Cunningham) that I would get back to him with a detailed response. I would ask for your indulgence, Mr. Speaker, if this answer appears a bit lengthy. As a matter of fact it's four pages long.

Mr. Speaker: It should have been done by way of a ministerial statement.

Hon. Mr. Parrott: It has a lot of detail in it, Mr. Speaker, that I think is very relevant. I wish to get all of those facts on the record.

Mr. Kerrio: Print 125 copies.

An hon. member: Add five minutes.

Hon. Mr. Parrott: Our prime concern is with the contamination going from a company property. While contamination on or off an industry's property is undesirable, it can be the natural but undesirable result of industrial activity regardless of the cleanliness of that company's operation. However, what we must ensure is that this pollution is curtailed and that any contamination from the industry does not affect the adjacent areas.

The major property near Dominion Tack and Nail Limited is, of course, the Manchester Public School. The school yard was extensively sampled and analysed late last fall for heavy metal contamination. Because of the complex nature of the testing procedures it took several months before results were completed. When they were, we then notified the school, the company, the local medical officer of health and our own medical advisers from the Ministry of Labour.

There is no question that the levels of certain metals in the soil do exceed levels set by our phytotoxicology experts. The levels which they set do not indicate human toxicity. That's an important point. Rather, they are set as an indicator to us that there is a contamination source in the vicinity which should be curtailed to prevent possible future problems. The sources identified in this case are Dominion Tack and Nail and Canadian Brass Limited.

At the time we received the report, and in both situations, action was taken or already had been under way to stop further pollution. It has been the practice of Dominion Tack and Nail to deposit plating wastes on its own property with a tile system to collect any sludge runoff.

In 1976, to replace this disposal, the company installed a treatment system which allows a treated liquid effluent to be discharged through the sewer system. Any residual sludge is hauled away for proper disposal. As an additional measure, to pre-

vent future runoff from the property which could contribute to heavy metal concentrations in the school soil, the company is regrading its land.

In the case of Canadian Brass, it was determined that air emissions were contributing to contamination so a control order was issued in 1976. It required the company to install air pollution control equipment by August 1977. This was completed on time and the emissions, are within the ministry criteria.

Mr. Kerrio: With renewals printed on the back.

Hon. Mr. Parrott: As regards the health of the school children, the medical experts have examined the situation closely and have advised us the soil in the schoolyard is not a danger to the children. As an additional precaution, the medical officer of health conducted tests in co-operation with the Ministry of Labour's occupational health branch.

Results which were released to the public confirmed their opinions: the children's blood level tests for copper, lead and cadium were within acceptable levels. Incidentally, blood tests for lead by itself are considered good indicators for the presence of other heavy metals, so that if an individual has a high metal level it will usually be detected through an elevated lead level.

In answer to the specific question from the member for Wentworth North about possible charges, we will not be prosecuting either company over this incident. Controls have been complied with and are effective, and medical consultants have advised us there is no danger to the children.

Because of the community concern over this issue I have spoken with both companies. Despite the lack of evidence of a health hazard, they appreciate that lingering concern may exist and they indicated they are willing to explore further action which might help alleviate any worries the community may still have over the children's safety.

Mr. Cunningham: Supplementary: I really can't get over the fact that it took five months to get the completion of these studies. Would the minister take it up with the various companies involved in this and see that their facilities are more properly fenced to make sure the school children don't have an opportunity to get in the back of those plants?

Hon. Mr. Parrott: Yes, I thought the fences were in place now. I'm not 100 per cent sure of that, but I'll certainly be glad to confirm that.

Mr. M. Davidson: Supplementary: I'm sure the minister has a copy of his own report from his ministry dated March 12, 1979, the title of which is: "Report of the results of the soil assessment survey on the playground at Manchester Public School."

Is the minister aware that the level of copper at station 25 is 174 times greater than the criteria for the province of Ontario, that the level of nickel is two times greater, that the level for lead is 3.3 times greater and that the level for zinc is 22.3 times greater? If he is aware of this, can the minister please tell me what level of toxicity has to be reached prior to this government taking any action and having that topsoil removed? Can he tell me what level has to be reached before he's prepared to do that?

Hon. Mr. Parrott: I think if the member would refer back to the answer that I gave, obviously we are aware of those levels. It's our report. It's a bit redundant to ask the question.

Mr. M. Davidson: I was just wondering if you'd read it.

Mr. Kerrio: A report's one thing; action is another. There are all kinds of reports.

Hon. Mr. Parrott: I think what my detailed answer pointed out is that the member must be very careful when he tries to distinguish between those levels which are considered guidelines for plants and those which are harmful to human life. There is quite a difference.

Mr. M. Davidson: What level are you using for a guideline?

Hon. Mr. Parrott: That relationship of the levels that we have established as what would be the normal that one would expect to find, the relationship between elevated levels and the human health problem is an impossibility to tell. It depends on so many factors.

Mr. M. Davidson: For that reason alone you should remove the dirt.

Hon. Mr. Parrott: With respect, the member says we haven't taken any action. I don't know why the member will not listen. As he heard today, there was action taken in 1976, completed in 1977, and it is within our guidelines.

Mr. M. Davidson: That's air emissions.

Hon. Mr. Parrott: Secondly, on tests that we did on those students there is absolutely no evidence of health damage to those children.

Mr. Foulds: Have you ever heard of preventive care?

Hon. Mr. Parrott: He asked for action. It was taken long before he asked. It's that simple.

Mr. M. Davidson: How much would it cost to remove the soil and replace it?

Mr. Speaker: Order. The minister took five minutes for his prepared response. Normally it shouldn't exceed two minutes. I'm going to add three minutes to the question period, which would terminate it at 3:18. A new question?

Mr. Cunningham: I'm going to ask a final supplementary.

Mr. Speaker: No, you've already had a supplementary. You had two supplementaries when you asked it originally.

Hon. Mr. Parrott: Mr. Speaker, I certainly agree with your comment in that regard and I apologize for those long technical answers. Our position is, to understand the situation, that kind of detail is frequently required. I appreciate your indulgence.

Mr. Speaker: The standing order with regard to lengthy answers to questions taken as notice is quite clear. If it is lengthy, it should be done by way of a ministerial statement, rather than by taking up the time of the question period.

DISPOSAL OF PCBs

Mr. McGuigan: My question is to the Minister of the Environment. I hope the Minister of Agriculture and Food (Mr. Henderson) will be interested.

Early this month federal inspectors found low levels of PCBs in poultry products in British Columbia. These levels were traced to a source in the United States where a transformer had leaked PCBs into tallow, which was later used in the feed mixture and found its way to British Columbia. I understand these transformers are used in processing the feed-mixing plants in Ontario.

Does the minister have any plans either to remove these transformers from these very sensitive areas or to retrofit them with a shielding or catchment device that would catch the PCBs in the event of a leak, therefore keeping them out of food and food products?

Hon. Mr. Parrott: In reply, there are several points which should be made. First of all, I am sure the member knows the new use of PCBs in transformers has been banned for some period of time. So we need not worry about additional transformers coming on stream.

The really difficult position at this moment is to find a way of safely disposing of those PCBs we have in our society today. I am sure the member is aware of our very strenuous efforts to have approval for a test burn in Mississauga. Hopefully, if that is proven to be a safe method, then we will have a good disposal method for PCBs in our environment.

With those two things done successfully and the facility in place, of course, the program will be to eliminate all of those hazards in any transformer, regardless of whether it is in a sensitive area by definition or not. Our ultimate goal is to eliminate PCB material in our society. Until that is done I don't think any of us should rest comfortably. We must do that. If we succeed in our present hearings, it will be done.

Mr. McGuigan: Supplementary: I hope this isn't a repetition but in view of the minister's answer I am concerned about the PCBs that are presently there. Temporary measures could be taken to prevent them from getting into feedstock, such as a catchment device on the transformer, which I would think could be retrofitted rather cheaply to prevent this happening.

Hon. Mr. Parrott: The problem is that PCBs in transformers are in every community in almost untold numbers of sensitive situations. We must have the facility to dispose of them before we can do anything more. There is no value in transferring them from A to B to C and putting them in circles. The key is in disposing of them; there is no question about that. The member has identified some sensitive areas but I think he would find there might be quite a number of others in addition to what he suggests are sensitive areas.

Certainly, the presence of PCBs close to our food stream is important, and also to our water-courses where they can get into the natural environment. There are many sensitive areas and I don't think we should single out one. The war is against PCBs in all forms and as early as possible.

INTEREST RATES

Mr. Laughren: I have a question for the Treasurer. I am assuming the Treasurer is aware of all these rumours swirling around about further increases in the interest rate. He may even know that Morgan Guaranty Trust Company in the United States raised its prime rate from 14.5 to 15 per cent this morning.

[3:15]

Since the Clark government in Ottawa has tended to match the increases as they come

in the United States, has the Treasurer considered the very serious impact these interest-rate increases are having on the housing sector in Ontario? Further, if he knows it now costs $126 per month more than a year ago for a $60,000 mortgage, which is what is required in a place like Toronto and other urban centres in Ontario, what does he plan to do to protect the mortgage holder in Ontario?

Mr. Conway: Tory times are tough times. A Tory is a Tory is a Tory is a Tory.

Hon. F. S. Miller: The member well knows he is asking questions that are fundamentally under federal jurisdiction.

Interjections.

Mr. T. P. Reid: That makes us doubly worried.

Mr. Speaker: Time's awasting.

Hon. F. S. Miller: We've been concerned about the interest changes. I would point out that nearly all new housing coming on the market currently had mortgages arranged before the current spate of increases took place.

Mr. Mancini: What happens when you have to renew it?

Hon. F. S. Miller: I would also point out the long-term rates have tended to remain below the current bank rate. In other words, mortgage interest rates have remained below prime. One of the reasons for that is the market is anticipating we are reaching a peak in the interest rates on a short-term basis—

Mr. Mancini: I hope so.

Hon. F. S. Miller: —hopefully, and in fact long-term rates over the next five years will be lower than the current rates. The market has been assuming that for some time and I think some of the trust companies of this province have been facing some real difficulties in trying to make a profit because they have been paying current rates for deposits but not charging the normal spread between the deposit and the mortgage rate. Undoubtedly it will have an effect, but luckily the combination of the Ontario tax credit, which is a fairly generous tax credit system, and the recently announced federal mortgage interest deductibility will have a cushioning effect for many home owners.

Interjections.

Hon. F. S. Miller: I would hope the approximately $470 million Ontario flows back to its owners and tenants would help cushion the blow. That doesn't, in any way, relieve my concern.

The honourable member said, "match the changes" and I'd like to point out they haven't matched them. They have gone upwards when the American rate went up, but not necessarily by the same amount. I believe the last time—and it may be quite significant—when the rate rose one per cent in the United States, it rose three quarters of one per cent in Canada.

I have listened to the opinions of my economists. My economists like all economists, are not of one opinion.

The advantages and disadvantages of following the US rate have to be weighed. I'm not sure what pressures the federal government or the Bank of Canada are under from forces like the International Monetary Fund. I would like to know, because without knowing that I don't think it's fair for me to judge whether they have taken the right action or not.

Mr. Laughren: Perhaps the Treasurer knows the definition of an economist now is someone who has accurately predicted eight out of the last three recessions.

Is the minister also aware the increased costs of the higher interest rates over the past year now cost three times as much for that person with a $60,000 mortgage as the federal government's tax credit plan?

Mr. Speaker: That's going to have to be the honourable member's question.

Mr. Laughren: Surely the minister could tell us what he is going to do, since housing is a provincial responsibility, to protect people in the housing market? Will he work out a progressive tax credit system with the Ministry of Housing?

Hon. F. S. Miller: Our Ontario tax credit system is progressive at the present time. I would say simply I always review that system at budget time.

Mr. Speaker: The time for oral questions has expired.

INTRODUCTION OF BILLS

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 154, An Act to amend the Regional Municipality of Hamilton-Wentworth Act, 1973.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, the purpose of this bill is to transfer the power to pass bylaws respecting store closing hours under section 355 of the Municipal Act from the area municipalities to the regional council, something which has been requested of us by the regional council.

UNIFORM RETAIL STORE CLOSING HOURS ACT

Mr. Isaacs moved first reading of Bill 155, An Act to provide for Uniform Retail Store Closing Hours.

Motion agreed to.

Mr. Isaacs: Mr. Speaker, the purpose of this bill is to establish standard hours during which retail stores may remain open. The bill provides that retail stores must close no later than six o'clock in the afternoon on business days, except Thursdays and Fridays when such stores must be closed no later than nine o'clock in the evening. Any retail business that is exempted from the requirements of the Retail Business Holidays Act, 1975, is also exempted from the requirements of this bill.

SECURITIES AMENDMENT ACT

Hon. Mr. Drea moved first reading of Bill 156, An Act to amend the Securities Act, 1978.

Motion agreed to.

ORDERS OF THE DAY

SECURITIES AMENDMENT ACT

Hon. Mr. Drea moved that the order for second reading of Bill 132, An Act to amend the Securities Act, 1978, be discharged and that the bill be withdrawn.

Motion agreed to.

PESTICIDES AMENDMENT ACT

Hon. Mr. Parrott moved second reading of Bill 86, An Act to amend the Pesticides Act, 1973.

Mr. Speaker: Does the honourable minister have an opening statement?

Hon. Mr. Parrott: No, I don't, Mr. Speaker.

Mr. Gaunt: Mr. Speaker, my comments are going to be very brief. Essentially, this is a housekeeping bill. It simply amalgamates two appeal mechanisms into one, a point on which we certainly agree.

The Pesticides Appeal Board has not been a very active appeal board. I think last year there was only one appeal in the 12-month period. There are seven people on that board, which really doesn't have a very fulfilling challenge in dealing with the appeals under this particular board.

I would certainly agree with the intent of the bill and support it, because I think those seven people could be much better employed elsewhere in doing other things.

Ms. Bryden: Mr. Speaker, when the minister introduced this bill away back in mid-May, he made a rather pretentious claim that this bill was part of the government's program of deregulation and improving the delivery of services to the public and making it easier for the individual to do business with the government.

All the bill actually does is abolish one board and recreate it as a branch plant of the Environmental Appeal Board. I fail to see how this constitutes deregulation; neither do I see how it improves the delivery of services to the public, nor make it easier to do business with the government.

The delivery of services under this bill will be exactly the same as before, as far as I can see. The same rules of procedure now in the Pesticides Act will apply to appeals under the Environmental Appeal Board, since those sections of the act are not being repealed by this bill.

Presumably, the same people will deal with the appeals, because the minister has announced that he is planning to reappoint all the members of the Pesticides Appeal Board to be members of the Environmental Appeal Board. The only difference might be that the appeal will be sent to a different office for processing, an office which now handles all the appeals of the Environmental Appeal Board. Perhaps its chances of getting lost in the shuffle may thereby be increased, but I hope that is not the case. It is hard to argue that the mere change of address will improve the delivery of services.

In fact, I would like to ask the minister to tell us exactly how much he expects to save in dollars and cents from this change. I suspect it is negligible; I think the minister should have had a better reason, when introducing his bill, to justify this change.

I do know that the procedural affairs committee in November 1978 recommended that the Pesticides Appeal Board be merged with the Environmental Appeal Board and depending on the volume of work and the number of appeals it could make sense, but since the minister's annual report for 1978-79 is not yet out, we don't have any up-to-date figures on the volume of appeals. Perhaps the minister can give us that information in this debate.

Mr. Gaunt: Just one last year.

Ms. Bryden: I have the 1977-78 figures; as the member for Huron-Bruce mentions there were only two appeals in that year. In the previous year there were 22 appeals, so it would be interesting to know if the trend to fewer and fewer appeals has carried on in this year. I am not sure if the number of appeals is sufficiently small that we are no

longer justified in having a separate board. I am not sure if it justifies having, certainly a full seven-man board or seven-person board, but I understand the minister is proposing to move all seven persons into the Environmental Appeal Board. If the number of appeals is very small a board of that size may not be justified.

Another point is why do we retain the rules of procedure that are written into the Pesticides Act, rather than adopting the rules of procedure that are in the Environmental Protection Act under which the Environmental Appeal Board is set up? It seems to me it will be more confusing to businessmen if they have to make an appeal from the Environmental Protection Act under one set of rules and an appeal from the Pesticides Act under another set of rules.

[3:30]

Some examples of the differences between the rules of procedure for the two boards are the following:

There is a difference in the size of the quorum.

The Pesticides Appeal Board can extend the time for appeals, whereas the Environmental Appeal Board cannot.

There is a provision in the Pesticides Act that all members of the board who participate in a decision must be present throughout the hearing and hear all the evidence; those who participate in the decision must be just those who were present.

There is no such clause in the Environmental Protection Act. It probably should be there, I think in most cases it's taken for granted, but it seemed rather strange that it had to be written into the Pesticides Appeal Board procedure; a member might have some difficulty saying he was not absent for five minutes of the hearings.

There is also in the Pesticides Act a clause prohibiting what might be considered a conflict of interest. It states that no member of the appeal board can partcipate in a hearing if he has taken part in an investigation that preceded the hearing.

There is no such clause in the Environmental Protection Act. It seems to me very strange that a member of an appeal board would be expected to participate in an investigation of an incident or an application from which there might be an appeal to the board; yet the minister, by proposing to reappoint and to continue the rules of procedure, is carrying on this possibility of a conflict of interest.

In fact, it seems to me rather incredible that at least two of the seven persons on the present Pesticides Appeal Board are actively involved in the pesticides business. It seems to me there is a possibility of a conflict of interest right there. So I would question whether the minister should commit himself to reappointing all the present members or whether the minister should not look at the possibility of a conflict of interest in such a situation.

Also with regard to the rules of procedure, both acts provide that the persons entitled to participate in an appeal include the person on whom a control order is being placed or the person concerned with a licence or a permit or the possible revocation or amendment of such. Both acts also say that such other persons as the board may designate may be entitled to participate in an appeal.

That is a good clause to have, allowing the possibility of participation by persons who may be affected by the control order or by the terms of the licence or the permit. But such a clause should not be discretionary on the board; it should be mandatory that people affected by any license, permit or control order should have the right to participate in an appeal. I think this should go through all our environmental legislation, because the victims of pollution may be as affected as the people who are the potential polluters.

When we get into committee, I am proposing to move an amendment to the bill providing for a clause that will make mandatory the participation, if they wish, of persons directly affected by the subject of the appeal.

The only other thing I would like to say is it would have been nice if the minister had also considered abolishing the pesticides advisory committee which is supposed to be overseeing our pesticides policy. Again, I think there are too many representatives of industry so that there is the danger of conflict of interest which does give them the freedom to make recommendations about the whole pesticides industry.

I think the minister should be using his powers under the Pesticides Act to examine the possibility of replacing pesticides with other methods of control. The pesticides are becoming more and more of a hazard in our environment, and there are alternatives. You can develop predators which will not be of a chemical nature; you can develop new forms of crop which will be resistant to the pests and you will not have to put as many chemicals into the environment. However, that is not in this bill. Perhaps the minister will consider whether his pesticides advisory committee is fulfilling the function of trying to reduce the amount of pesticides we have in the environment.

Hon. Mr. Parrott: I will be quite brief, Mr. Speaker. The points made by a number of members deserve some attention.

At the time of this merger, we had only five persons on the Environmental Appeal Board; and with the large number of appeals there we needed an increase of numbers on the board.

Interjection.

Hon. Mr. Parrott: Yes. We used that as an opportunity to have some of the people who had been on the Pesticides Appeal Board serve on the dual board, because we did need more members there.

The actual saving is $10,000—I see that is the budgeted figure—so there is a saving. Granted it is not the largest ever, but I think it is the right approach and one that all members of this House have agreed to in the committee report. We certainly will be using many of those same people, and the day will come, of course, when the combined boards will be smaller than the two boards separately. I think an orderly transition will occur when the normal terms of office come to a close.

I am somewhat surprised to hear the suggestion that we should eliminate the pesticides advisory committee. It may not be a high-profile one, but it is one whose judgement I personally value a great deal. I don't hold to the suggestion there are too many members of industry on that committee. I have been at a meeting and I find it a good blend of the academic community, the business world and concerned citizens; so I cannot accept that suggestion. I don't see that happening at all.

I think when we really look at the Environmental Protection Act it is quite possible that in future we might very well make the two appeal procedures identical. As I understand it, the Pesticides Act came later than the Environmental Protection Act and it had a more up-to-date procedure, if you will. That could well be done at another time in the not-too-distant future; it is a possibility we will consider.

I would hope the amendment proposed will not carry today. I think the purpose of the bill was certainly not window-dressing; it was to accomplish a reduction in the number of boards for very legitimate reasons which we support and in fact all parties have supported. I would hope we would process the bill as printed.

Motion agreed to.

Ordered for committee of the whole.

House in committee of the whole.

PESTICIDES AMENDMENT ACT

Consideration of Bill 86, An Act to amend the Pesticides Act, 1973.

Sections 1 to 3, inclusive, agreed to.

On section 4:

Mr. Acting Chairman: Ms. Bryden moves that section 4 of the bill be amended by adding thereto the following subsection:

"(4) The Environmental Appeal Board shall, as soon as practicable after the coming into force of this act, make rules respecting hearings by the board and the practice and procedure of the board under the Pesticides Act, 1973 and, without limiting the generality of the foregoing and in addition to the rights, practice and procedures set out in sections 10, 13 and 14 of the act, the rules shall permit and provide for;

"(a) notice to be given to persons who are directly affected by a decision or proposed decision of the director under section 10 or 13 of the act;

"(b) a right to require a hearing by the board for a person who receives notice of a decision or proposed decision of the director under the act or rules;

"(c) a right to status as a party in proceedings before the board for any person who receives a notice referred to in clause (b).

Ms. Bryden: In my second-reading comments I think I indicated the purpose of this amendment was to open up the appeal procedure to people who may be affected by either a control order or the terms of a licence or permit under the Pesticides Act. I hope it would also be extended to the Environmental Protection Act by appropriate amendments.

I think it is now becoming more and more accepted that the public has as great an interest in this kind of regulatory instrument, the issuing of licences and permits to use hazardous substances, as does the person actually using the substances. The public, therefore, should have the opportunity to have a say in the terms and conditions. If they do not like the terms and conditions they should have the opportunity to appeal them to the appeal board. That is the principle of the amendment. It sounds rather complicated in the wording, however, I would urge members of the House to support this opening up of the appeal process.

Mr. Gaunt: I think the member for Beaches-Woodbine has a good point in so far as opening up the appeal process is concerned and allowing people to exercise rights under that appeal process.

The point was also made previously that when one appeals under the Pesticides Act there would be a certain procedure which one would follow. When one appeals under the Environmental Protection Act, there would be another procedure applicable. It seems to me that uniformity in this case would avoid confusion; most important, perhaps, for the sake of the appellant, but also for the sake of the government. It would certainly be advantageous from the point of view of both parties involved in an appeal to have a uniformity of procedure in both instances. Unless I can hear some strong arguments from the minister to the contrary, I would think this particular motion makes some sense.

[3:45]

Hon. Mr. Parrott: The point is that this amendment won't put the two appeal procedures into the same method. If anything, as I understand it it will deviate them more. Having made a commitment that there are some amendments coming forward to the Environmental Protection Act, I think that's the time to address the uniformity issue.

I agree with both the proposer of the amendment and the critic for the Liberal Party that it would be desirable to have them uniform, I don't argue that case; but I say that by this amendment you don't make them uniform, perhaps you make them even more divergent. If the Liberal Party would consider that the day will come when we can do that under the appropriate legislation, which at that time would be an amendment to the Environmental Protection Act—and there are other amendments that we see should come forth in the not-too-distant future—to me that is the logical time to do so.

I would hope that that logic prevails, because without it we have created a greater difference than we have resolved; we've expanded the difference, not contracted it.

Ms. Bryden: If the minister will look carefully at the amendment, he will see that it is asking that the Environmental Appeal Board bring in rules respecting hearings of the board, meaning the Environmental Appeal Board, in the practice and procedure of the board under the Pesticides Act, which is the other set of regulations.

When we're asking them to make rules under both of those situations, we are really asking for uniformity on this particular point of opening up appeals. Therefore, I think it is a step in the direction of uniformity.

Mr. Gaunt: On that point, to solve this problem, we all want uniformity, that's what we are talking about. The minister agrees, the member for Beaches-Woodbine agrees and I agree, that we all want the same thing. It's a question of achieving it. How do we do it?

The minister says if this particular amendment passes there will be a greater divergence than there is now. I don't know, I can't pass judgement on that without doing a little more research and work on that particular aspect, but if we could have a commitment from the minister that he will bring in an amendment to the Environmental Protection Act embodying the concepts which we've been talking about and including the various points raised in the particular amendment, so that the appeal procedure is more open and is more amenable to people who appeal or who are affected by an appeal, then I think we can have some resolution to this particular problem.

Perhaps the minister could make such a commitment.

Hon. Mr. Parrott I'm quite prepared to make a commitment that when the Environmental Protection Act amendments appear in this Legislature we will address the differences in the two appeal procedures. There is no doubt that we will need to make them uniform. We will need a major amendment to the Environmental Protection Act; we can't do it by passing this resolution today, it just won't do the job. I do make that commitment that we will consider those amendments at what I feel is a far more appropriate time, under an amendment to the Environmental Protection Act rather than here today. You may or may not agree with our proposed amendment; but that's fair enough, you'll have the opportunity to deal with that and amend our amendment as you see fit.

I don't mind making that commitment, that we will consider that and be bringing forth amendments, obviously not during this session of the Legislature but if possible in the next one or as soon as we can. That commitment will stand. We'll put those amendments at the time we address the Environmental Protection Act amendments.

Mr. Gaunt: That being the case, then I would certainly support that method of procedure. That would resolve our problem and accomplish what we're all trying to do.

Ms. Bryden: I appreciate the minister considering amending the Environmental Protection Act to open up the appeal procedure. I hope that's what he meant when he said he would consider bringing in amendments to that act which would consider this principle.

Will he give us a commitment that he will bring in amendments next session? I understand that it's probably very difficult to do

it this session, the time is very short, but it seems to me we've been waiting a long time for this kind of opening up. I think the minister has expressed his own willingness to open up the whole matter of environmental standard setting and participation by the public in the whole environmental protection process. This would just be another step in that opening up. I think it's a long time since we've had the Environmental Protection Act opened up along these lines. Would he make a commitment to bring in, next session, some amendments which would consider the appeal process?

Mr. Conway: Just like Sparky Anderson?

Hon. Mr. Parrott: No, he's quite happy at home.

Mr. Riddell: Probably more so.

Hon. Mr. Parrott: I'm prepared to make the commitment that we will consider the amendments when the act appears here. There are fairly major changes that will be required in the Environmental Protection Act. I get a little gun-shy on commitments made that give a specific date and then for a lot of valid reasons, not always under our control, we can't follow through. Then it goes down again as something said and not delivered; that bothers me.

We believe there are changes required to the act, so the commitment is that the act will be opened. When that's here, then we will proceed with some amendments under the appeal section of it. I just hate to say that I'll do it in the next session of the Legislature, period.

Mr. Gaunt: But you'll try, you'll give it your best effort.

Hon. Mr. Parrott: I'll try, I'll try to do it. Yes, we'll give it the best effort, but as long as I'm not pinned with a date that it was an unconditional commitment.

We do see some changes, and those have been somewhat superficially addressed at our offices, but we haven't fully proposed those major changes and we're not ready to make that final and last total commitment. As close to it as we can, we will.

I'm being a little vague on whether it'll be in the next session or not. I'm not being at all vague on whether it will include amendments to the appeal section; that I'm happy to do.

I really think this appeal perhaps needs, in itself, more consideration, because the advice I receive is that it indeed would be a little too vague and require too much interpretation from the courts. I haven't introduced that today because I don't think that's an issue. The more important principle was to make them uniform. I think I'd have to suggest to you this does not necessarily pin it down as well as it should; but I don't want to get into that debate particularly, I don't think that's the pertinent one.

If I can satisfy my critic, we will do our utmost to put it into the act when it appears here; if possible next session, fine.

Mr. Deputy Chairman: Any further discussion in regard to the proposed amendment? The amendment has already been placed before us. Is it the wish of the committee that the amendment be adopted?

Mr. Gaunt: I thought it was to be withdrawn.

Mr. Deputy Chairman: I didn't understand that. I didn't hear any motion to withdraw, but the member for Huron-Bruce suggested there might be. I think I should now put the question.

All those in favour of Ms. Bryden's amendment will please say "aye."

All those opposed will please say nay."

In my opinion, the nays have it.

Motion negatived.

Section 4 agreed to.

Sections 5 and 6 agreed to.

Bill 86 reported.

On motion by Hon. Mr. Parrott, the committee of the whole House reported one bill without amendment.

The following bill was given third reading on motion: Bill 86, An Act to amend the Pesticides Act, 1973.

CORPORATIONS AMENDMENT ACT

Hon. Mr. Drea moved second reading of Bill 144, An Act to amend the Corporations Act.

Hon. Mr. Drea: At the time I introduced this, on October 16, I gave a fairly substantial statement. I would like to merely point out there are now 52 farm mutual insurance companies. The reinsurance fund, which is the foundation of their operations, now stands at $12 million. They have asked to do business in the area we are opening up to them, and the select committee on company law has favoured that.

Finally, it is not just a question of being mature and being able to come to grips with this, I think we have to understand, as long as I am the minister, I want the farm mutuals, on the basis of their Ontario capitalization, to gradually expand in a number of directions, as long as their reinsurance and their other capital arrangements will allow.

I think it very significant that this is Ontario capitalization in the insurance field. You can also call it Canadian capitalization. I think it is a very positive measure of providing Canadian competition in a market that heretofore has been dominated by multinationals.

If out of this, as came out of some decisions in the state of Indiana some years ago, we produce another State Farm Insurance Corporation with business, assets and employees around the world, then I think that is precisely what we would like to see in the foreseeable future; provided, of course, the capital and the other bases are there.

From time to time there has been an element of protection considered necessary to the farm mutuals. I would say to members today that we are in a position where I think virtually all the protections or restrictions or limitations can be removed within a very brief period of time.

[4:00]

The farm mutual insurance companies are to be commended for the way they have prepared on a step-by-step basis for expansion. They have kept pace with the changing needs of the rural and agricultural societies in this province. Quite frankly, they have never asked for more than they reasonably felt they could handle. It is indeed with a significant degree of confidence and pleasure that we are removing this restriction, and indeed opening the door to them to move forward as rapidly as their capitalization will permit in the fire insurance field.

Mr. Breithaupt: I welcome the opportunity of speaking on this bill as amendments to the Corporations Act are brought before us.

As chairman of the select committee on company law, I am also pleased that the minister has followed some of the recommendations and suggestions made in our most recent report.

If I may, sir, I'd like to quote some comments from page 133 of that report which may be of interest to members of the House as they look into this legislation. I quote as follows:

"The farm mutual insurance companies described earlier in this report and in more detail in appendix E, originated over 100 years ago to write fire insurance and certain other coverages for farms in their local communities.

"Legislation limits farm mutuals to insuring those risks in their own community which are primarily of an agricultural nature. On the other hand, farm mutuals are exempt from premium tax and from income tax because in serving the needs of farmers in their local communities they are looking after a market not served well by the insurance industry as a whole.

"The Ontario Mutual Insurance Association on behalf of its members requested the committee to support the desire of farm mutuals to compete on an 'equal footing' with all other general insurers in all areas of risk. The OMIA came before the committee to point out that the conditions under which farm mutuals now operate in this province have changed and that legislated restrictions on farm mutuals do not correctly reflect these changes.

"In particular, the OMIA pointed out that the sole business in rural communities is no longer farming, whereas the farm mutuals are restricted from insuring risks which are not primarily of an agricultural nature.

"The committee encourages the growth of any insurer or group of insurers willing to meet consumer needs in a particular market segment. The farm mutuals in particular have provided a stable market in farm communities, at low cost with a high level of service. However, the farm mutual insurance companies operate under relaxed taxation privileges not available to conventional insurers. Considering the expansion of farm mutuals into other areas of insurance, the committee's view is that this expansion must in fact take place on an 'equal footing' with other insurers serving the wider market."

In this bill before us today, we have three particular themes. The first is to remove some of the limitations on powers which have traditionally existed in section 169.

The second is to deal with an expansion of the reinsurance opportunities so that the reinsurance corporation is able to spread its involvement through a broader segment of the market than it presently is allowed to do. At present, it can only deal with the reinsurance needs of the particular 52 companies which are members of that operation.

The third theme deals with the removal of the word "fire" as an integral part of the name of any of these companies, so that that no longer need be the case if the companies might decide otherwise.

In these three themes, certainly the last two cause no problem for me as the critic for this ministry; I say that with the background that being involved in the select committee on company law has afforded me. I would, however, refer to the three recommendations made by the select committee dealing in particular with this first subject,

that is the changing of the various powers of the mutual fire insurance companies.

Recommendation 8.21, is as follows: "In order to encourage a proliferation of various types of companies serving the consumer, the committee supports the superintendent in his discussions towards relaxing the legislated restrictions imposed on the business of farm mutuals." That recommendation has been attended to by the fact that we have this legislation before us at the present time.

Recommendation 8.22 reads: "At the same time, the committee recommends that the growth of farm mutuals into non-agricultural areas of business be treated as a separate book of business and be subject to the same taxes and other conditions imposed on insurers in the conventional market. In regard to the matter of taxes, it may be necessary for the superintendent to request the federal government to re-examine its income tax rules to ensure that special privileges do not apply to farm mutuals or other insurers who have a substantial amount of business in other farm risks."

Our third recommendation then follows, 8.23: "In considering the relaxation of legislated restrictions on the farm mutuals, there also appears to be an opportunity for the reinsurance market to be opened up for the mutual reinsurance plan to increase its ability to write both farm and any new business farm mutuals may be allowed to undertake. The committee views this measure as desirable so long as any reinsurance assumed on non-farm risks is not subject to any advantage not provided to other reinsurers in the province."

Fourthly, as I mentioned, there is recommendation 8.24, which says: "In considering the relaxation of legislated restrictions on farm mutuals, the committee recommends that the superintendent also give attention to reviewing the financial or solvency restrictions on farm mutuals. The committee has recommended the review and relaxation of the solvency rules for all general insurers according to their particular circumstances. This same concept implies that the present rules of farm mutuals might continue to be applied with some flexibility to permit the more efficient or financially stronger farm mutual companies to expand their business."

In the bill that is before us, we find that the majority of these recommendations, which I believe we tried to reach in a co-operative and useful way with the information that was provided to us by OMIA and by individual farm mutual companies, has been, I think, soundly and well developed.

There is the one point that does concern me as it concerned the members of the committee, that is the matter of treating companies on an equal footing. I think this is something that needs to be underlined, because in the minister's initial statement the matter of the premium tax and the income taxes was not specifically referred to. I would like to hear from the minister in his reply with respect to the views that the committee has suggested concerning the idea of the separate book of business. I think while it is clear that Ontario capital can be developed through the farm mutual companies, it is, of course, as many members of the House are aware, a slow process.

The capitalization and the growth of these companies have been reviewed and commented upon on occasion in this House. Certainly, the superintendent of insurance has shown great responsibility in bringing these companies along as their capital base has allowed them to expand, as they have moved through the reinsurance idea, which they have been able to develop for their own purposes, and now to this next stage, as they broaden their involvement in the general insurance market, in effect, in many of the smaller communities within Ontario.

The matter of equal footing is an important theme. The benefits which the farm mutual companies have enjoyed in being exempted from premium tax and from income taxes are ones which have been conscious decisions so as to ensure that a particular segment of the insurance market was being served. This has developed well and the companies have moved from insuring the farm risk, as such, to insuring additional coverages, not only in expansion of other kinds of business related to farming but now to this next step of the commercial business block in the smaller town.

They are going to have that opportunity. I think that the maturity of the system should encourage that, but I do leave with you, Mr. Speaker, and with the minister, my views of the requirement that these other commercial businesses must be dealt with in the same manner as any of the other insurance companies have in relation to these businesses, and that is that the proceeds from the insurance coverages will have to be, in my opinion should be, subject to the same requirements that other commercial companies have when they are insuring commercial businesses. That means, of course, that I believe the premium tax and the income tax should be applied to that separate book of business.

That is a fair way of encouraging the development of the farm mutuals into this area, but it also does put them then on an equal footing in the proper proportion. I would look forward to hearing from the minister on that point, because if the idea of the separate book of business is the expectation of the minister, then indeed all of the recommendations we have made with respect to farm mutual insurance companies will have been attended to quite promptly by the minister in the legislation he has brought before us today.

I appreciate that this legislation has been brought before the House and indeed is being dealt with on second reading rather quickly, but I think it is understood that the farm mutual companies have welcomed these changes. They have certainly been commented upon and dealt with by the select committee, and I wish the minister well as he brings this legislation and this further development of the opportunities for farm mutual companies in the province to this next stage.

Mr. M. N. Davison: I want you to know that I am just as pleased as the member for Kitchener to have an opportunity to discuss Bill 144, an Act to amend the Corporations Act. It is actually nice to be talking about one of the good guys in the insurance industry when we talk about the farm mutual fire insurance companies, an industry in which the good guys sometimes seem to be few and far between.

In spite of the fact that this act mentions the word "insurance" on more than one occasion, I will not launch into a massive attack of the government's continuing refusal to bring in a public auto insurance plan in this province, as much as it deserves censure for that, but in fact speak to the bill.

I and my party support the bill that the minister has brought forward, which allows for the continued growth of the farm mutual fire insurance companies.

The companies, as the minister points out and as the Liberal critic has pointed out, were originally set up to provide fire insurance in agricultural areas, for agricultural use, and over a period of time that mandate has been somewhat expanded and this bill is to continue that process. I might add that that process of expansion was a necessary process in those communities.

In that each policyholder in a farm mutual fire insurance company is provided one vote in its affairs, the company is in fact, by my definition, a co-op, and as such is one of those kinds of companies I would like to see operating in the marketplace. The work these companies do is directly in the interest of their policyholders, and that indeed is very rare in the insurance industry—very, very rare in the insurance industry.

I was wondering, Mr. Speaker, if over the next period of time the minister might give some thought to providing a similar kind of insurance business in Hamilton Centre for my constituents in their urban setting, so that they can buy from such nice companies which have the policyholders rather than the shareholders and corporate profits at heart.

The question raised by the member for Kitchener, the Liberal critic, is an important one, and I would very much like the minister to respond to the observation about the tax question when he does sum up.

[4:15]

The only less-than-supporting observation I might make about the whole affair is that when the minister introduced the legislation —I think it was October 16—he said, "The industry has demonstrated its financial stability and responsibility towards those whom it insures."

Some might view that as a rather patronizing statement. I can see their point, because in fact these companies have spent the last century proving they can serve their community and can serve it well.

On that day the minister asked for our support in the passage of this amendment which will provide positive and direct benefit to the rural community of Ontario; the minister has it, go ahead.

Mr. Renwick: Mr. Speaker, I'd like to make a brief comment or two on this bill. I need not reiterate anything said by the member for Kitchener in dealing with the bill or by my colleague.

I think the crucial point in eliminating the restrictions on the farm mutual companies is the market which they currently serve. The report of the select committee states that they are looking after a market not served well by the insurance industry as a whole. Of course, despite its technicalities, the insurance business is one which relies a great deal upon the assessment of the men and women who run that industry.

I can well recall, and I'm sure my colleague the chairman of the select committee can too, the day we met, along with the superintendent of insurance and the advisers to our committee, with the Ontario Mutual Insurance Association. We talked at some length about the continuing availability of farm mutual companies to their original market and the purpose for which the act

was designed many years ago, that is to meet that need not otherwise covered. We also discussed the benefits they had by tax concession, because of the nature of that market, and expressed concern that if the restrictions were dropped, they would not continue to serve that market but devote all their time and attention to expansion in general insurance in all its phases, which was the import and intent of the wishes which the association had pressed upon the superintendent for some time.

I'm satisfied, and I think my colleagues on the committee were satisfied, that we have no need for concern: farm mutual societies will continue to look after their traditional markets as they continue to expand their operations. I was impressed with their evident intention to do that, as a prudent business measure and because of a sense of obligation, no doubt a residuary effect of being a mutual type of society. There is no doubt they will continue to do that.

Therefore, I welcome the bill and have no concern about the speed with which it was introduced into the assembly or the speed with which it's being dealt with. I feel the all-party committee thoroughly looked at this question, and understands and is aware of the implications which this bill has for the farm community in its restricted sense, and the opportunities which this bill provides for the farm mutual companies to take their full place, as we've stated in our report on an equal footing with the other competitive elements within the general insurance field.

I, too, will await the method by which the minister is going to achieve the transitional position of these companies with respect to their present tax concessions as they move into the general field, but at the same time to protect the benefits they do have under the tax structure to provide whatever continuing incentive, if any, is necessary for them to serve their traditional marketplace.

With those comments, I am pleased to have seen the selection by the minister of this particular area for his immediate consideration—immediate in the sense that the report of the committee was tabled just this year. I appreciate that the minister is acting promptly on it.

I suppose what I am really saying is simply that I have confidence in those companies to carry out their traditional obligations and to move soundly and effectively into the general insurance field without the limitations and restrictions that have been imposed for so long—in the opinion of some, perhaps for too long—upon this type of general insurance corporation.

Hon. Mr. Drea: Addressing the tax considerations of this bill, first of all in terms of income tax, which is a federal jurisdiction, any insurer going over 50 per cent of its total business in the commercial field will be taxed under the Income Tax Act.

I don't think there is much possibility in that area, bearing in mind that we have the stop-loss provisions in this act, which means that the smaller companies will be very limited in extra amounts they can sell. Again, in terms of the premium tax, which is provincial, we have informed the corporations tax branch of this impending legislation—legislation that will be passed today. They are looking at it.

It is really the Treasurer's prerogative whether this new development or expansion will put the farm mutuals into a position of being liable for premium tax. When we discussed the matter with the farm mutual industry we pointed out we were not in a position to state whether they were going to be liable for either income or premium taxes if they are not now; this would have to be a risk they would take. They said they were prepared to take that risk, even the risk of perhaps an unfavourable decision on the premium tax, which is far more likely.

I don't think it requires a separate book of business, particularly. I would prefer to have it treated as one, overall book of insurance and that the responsibility lie with them, particularly on the things the member for Riverdale has said about the need for their continuing obligation to serve the market for which they were created. Indeed, even the lifting of the restrictions here is to enable them to serve that market, albeit a market that has spun off from the original market available to them and which they have served very well.

In terms of equal footing, if they become very substantial—and it wouldn't take very much for them to become substantial in the commercial field—then obviously they are automatically going to be on equal footing federally. However, it is going to be the decision of the Treasurer of Ontario, not that of the minister or of themselves, whether they come under the premium tax. I think on any other basis they're on equal footing. I don't think we have to have a tag day for the cash mutuals. I think they can still continue to meet this market very well.

Historically, cash mutuals or general companies have not been enamoured with this market at all. I don't want to penalize them now, but I don't think this expansion by the

farm mutuals, based upon their individual capitalization, is really going to have that much of an impact. It is really a convenience for the consumer in the particular area and it is somewhat of an advantage for an Ontario capitalized insurance company. On that basis, I don't think it is a matter of unfair competition.

The reason I used the words I did in a statement on October 16 was to make it abundantly clear that over the years the farm mutuals have stood the test of their clients, not so much the community. They have paid their claims. They were in a very solid and responsible fiscal condition. But from time to time I think it is necessary to emphasize that. There is a concept that these are very small, somewhat quaint companies that operate in some of the less populated areas of the province.

They are first-class operations. They've had problems over the century or so—they've had some very substantial ones—but they have overcome those problems. They are in a position today where they must be looked at in terms of maturity, responsibility and fiscal integrity, with exactly the same judgement criteria as is general insurance. That was why I mentioned that.

I hope the day comes, and I think with this bill that day is rapidly approaching, when it won't be necessary to have to put that in; there will be an automatic recognition.

Motion agreed to.

Third reading also agreed to on motion.

REGIONAL MUNCIPALITIES AMENDMENT ACT

Mr. Rotenberg, on behalf of Hon. Mr. Wells, moved second reading of Bill 152, An Act to amend certain Acts respecting Regional Municipalities.

Mr. Rotenberg: Mr. Speaker, as the minister announced when he introduced the bill on first reading the other day, this act contains a number of amendments to the regional acts. It replaces Bill 114, which was before us in the spring. Unfortunately, we didn't quite get to it on the last day of the session.

Almost all of the bill is similar to the bill we had before us in the spring. There have been several new amendments added to the bill to fufill requests of various municipalities since that time. Much of the bill is housekeeping and much of the bill brings the regional acts into conformity with the Municipal Act and with the amendments to the Municipal Act that were made in the spring session.

Many of the amendments are common to all 10 regional acts. For example, the bill will enable each region to contract for insurance to protect the members of its council or any local board, to invest in credit unions, to accept historic documents and to control parking on regional property. It will also increase the maximum rate of interest a regional council may charge an area municipality for failure to pay its levies from one per cent to 1.25 per cent per month. All these amendments are similar to amendments made to the Municipal Act last fall and last spring.

[4:30]

Two new proposals will apply to all regions. One will enable each region to purchase or rent machinery on a long-term basis beyond the term of the council. In addition, each act will be altered to provide that the minister may request the OMB to defer applications for changes to area council composition or wards when there is an inquiry in progress. There are similar provisions in the Municipal Act.

Some of the proposed amendments apply only to certain regions. Where all water and sewer facilities are regional responsibility, the region will be authorized to enter into agreements to maintain and repair pipes on condominium properties. Where the region is responsible for sewage treatment facilities and the area municipalities for local sewers, the region will be authorized to control the discharge from local sewers into regional sewers and treatment plants.

Where the region has all the planning powers, the council quorum for official plan matters will be made the same as for other regional responsibilities. In addition, the region will be able to require that the cost of work ordered by the chief building official under the Building Code Act be levied against the area municipality that collected its taxes from the owner and repaid to the region.

Several of the proposed amendments affect only one region, and most are included as a result of local requests. In Ottawa-Carleton they will bring up to date the names of the area municipalities, enable the ministry to provide a method of selecting Nepean's representatives to regional council, and will increase the size of the transit commission of Ottawa-Carleton.

In Niagara, the right of appeal against the method used for calculating sewer rates will be removed.

In Waterloo, at the request of the region and at the request of the honourable member

opposite in the cities of Kitchener and Waterloo a minor boundary change will be made.

Because of the method by which the city of Waterloo selects its regional councillors, a procedure has been provided to deal with acclamation and tied votes. A further amendment will authorize the region to establish uniform sewer rates.

In Peel region, legislation is being enacted to enable the region to delegate industrial promotion to the area municipalities, and an order validated to establish the Mississauga Library Board.

I should say on the Peel region, the bill before the members, as presented, had an error in drafting which gave the area municipalities in Peel more powers than were requested and more powers than were intended. I've given notice of an amendment which will put this section of the bill into a form which the Peel regional council requested.

In Hamilton-Wentworth, there are changes being made to the regional transit system.

Finally, two metric changes are being made, in Ottawa-Carleton and York, that were inadvertently left out of the Metric Conversion Statute Law Amendment Act.

I would commend this act to the members of the House.

Mr. Epp: I appreciate the opportunity to speak to Bill 152. The bill, as the parliamentary assistant has indicated, was before us last June 22. The government at that time didn't want to take 10 or 15 minutes, which was suggested, to pass the bill, because they had to rush off to a coffee party or something of that nature; I'm not quite sure what it was.

Nevertheless, since that time, we have had a number of changes brought before us. Some of those changes that have been added to the bill have been somewhat monumental in scope. In fact one change regarding Hamilton has been withdrawn so that it can go to committee for further discussion without holding up the rest of the bill.

The problem with the bill before us is that there is no principle to which to speak directly in the sense that it has the multiplicity of changes incorporated in it dealing with sewer surcharges, minor boundary adjustments, a 1.25 per cent interest rate. It deals with clarifying the names of two municipalities in Ottawa-Carleton. It deals with credit unions and various other things. So it's hard to direct your thoughts to one particular principle, or two or three strong principles within the bill.

I must say, however, that I agree with permitting municipalities to increase the interest rates on some of the unpaid taxes of citizens within that municipality. When we were discussing this last spring we discussed 1.25 per cent. This was a quarter per cent increase per month, of course, over the previous amount of one per cent per month, or 12 per cent per annum. This looks like a modest increase but, with the kinds of increases we've had in interest rates in the last two or three months, as everyone is aware, the 1.25 per cent that municipalities can now charge looks mediocre in comparison. For second mortgages you'll probably have to pay about 18 to 20 per cent, whereas before this you could get them for about 12 or 13 per cent; you could get your first mortgages for around 10.5 per cent last spring, but now you're up to 13.5 or 14 per cent for NHA mortgages. It's quite substantial. All this resulted from making a change in government last spring, on May 22. That's quite a package.

We will support a number of these changes. I think a number of them do deserve support, although I don't think we can support all the changes here. We will be coming forth with an amendment at the right time and place.

Regarding the boundary change that has been introduced here for Kitchener-Waterloo, I must try to clarify the record. I requested of the minister—in fact, I sent a letter last spring—that he deal with the boundary changes as requested by the municipalities of Kitchener and Waterloo. I did not request the boundary change. I requested that their requests be processed as early as possible. As you know, Mr. Speaker, this has been postponed an extra four or four and a half months now.

As regards the boundary, Waterloo will benefit by getting a little over 15 acres from the city of Kitchener, and Kitchener in turn will get about 3.1 or 3.5 acres—something in that vicinity. What it does is help to realign the boundaries and put one particular development by major holdings into the one municipality of Waterloo. This is something that obviously made eminently good sense, to the city of Kitchener, because it was raw land when the request was made and they're just in the process of putting in some services.

The aspect of including credit unions as one place where municipalities can invest their money if they want to is certainly acceptable simply because we did it for other bills. We did it for other bills because it made eminently good sense. It made good sense because there are a lot of credit unions about the province that are well administered.

There are no more problems with credit unions than there are with chartered banks or trust companies; so why shouldn't they be in a position to benefit by the investment of funds by a municipality if they so desire.

There's still another aspect which concerns the debenturing by municipalities for machinery and appliances. I'm not sure why there is a distinction in having a five-year term for debenturing machinery and appliances that a municipality might purchase and a 10-year term for the purchase of road building machinery. I'm not sure why there has to be that distinction between the two, unless the roadbuilding machinery is expected to last that much longer and therefore debenturing can be spread over 10 years and will still be in fairly good shape when that debenturing is completed.

It's the same as roadbuilding. For instance, municipalities can debenture costs of a particular street if they wish, and the term is 10 years. As you know, Mr. Speaker, having been a municipal politician at one time, and a very good one—

Mr. Acting Speaker: Don't let that last remark throw you off your train of thought.

Mr. Epp: No, I was going to say in a kind of kidding way, with all due respect, that you were misled along the line thereafter, but I didn't want that to be taken up the wrong way.

The municipalities can debenture for 10-year streets and the streets usually last 15 to 20 years if they've been looked after, the pot holes that may have developed have been filled up and so forth.

It's with mixed feelings I say on behalf of this party we will be supporting, certainly most of the changes in here. However, I do want to point out that we in this party do not believe all regional municipalities have to be uniform, yet what we see here is in large part an effort by the government to make them uniform.

I know they can cite instances—examples are Haldimand-Norfolk and Sudbury—where the planning responsibilities are in the upper tier as opposed to other regions where they are on the lower and upper tiers, but in large part there is an effort here to make them all the same.

When I was chairman of a task force this party had two years ago that went about the province, one of the striking features we discovered in all the regions was that they wanted a kind of government in their area that was not really based on a model acceptable and working relatively well in Metropolitan Toronto; they wanted one that was developed and moulded for the needs of the local areas. At that time they told us we should look at the needs of the local municipalities and base the structure on what the local needs are rather than have these various acts applied from on high.

The acceptance of regional government in this province is anything but good.

Mr. Bradley: To say the least.

Mr. Epp: There are people here who are hoping and praying daily that the subject of regional government will go away.

Mr. Bradley: But it won't.

Mr. Epp: It won't, simply because the people of this province who are very much concerned about it really haven't warmed up to that subject. They might in 100 years. I won't be here, and neither will the members opposite to tell me how wrong I was back in 1979 about the subject.

Mr. Rotenberg: We will still be here as the government.

Mr. Bradley: The member will still be as arrogant as ever, no doubt, but he won't be a member of the government.

Mr. Rotenberg: Not us; we are just quiet, trying to do our job.

Mr. Epp: It is a concern of ours and we will be proposing some amendments as the date progresses. During the months ahead I suppose this House will have other opportunities to discuss this subject and I will have a great deal more to say about it at that time.

Mr. Isaacs: This is certainly an omnibus bill in more senses than one, because it deals with omnibuses in my own regional municipality. But the changes being proposed in this bill are relatively minor compared with the changes that we have been suggesting should be looked at in regional government.

I want very quickly to run through a number of concerns I have about some of the components of this bill, and I hope the parliamentary assistant or the minister later on will see fit to respond to some of those concerns.

On the application of section 26 of the Municipal Act in regional municipalities, this act provides that the minister may delay an application for changes in ward boundaries while region reviews are going on. Our concern is that region reviews have been conducted in a considerable number of our regional municipalities and yet no action has been taken on any one of those.

[4:45]

I hope the minister will enlighten us as to what the process is and what the timing is for this amendment. Again, to take my own regional municipality, it is considered that the review of regional government in Hamilton-Wentworth is still going on, as I believe the minister indicated to us that it is the other day. Does this amendment mean that no changes to ward boundaries could be considered and no changes to items like board of control could be considered until the region review is put out of the way? If that is the proposal then I think what it is doing is imposing a burden on municipalities that want to review their own structure rather than having a review conducted at the provincial level. I hope there can be some clarification of that, perhaps discussion when we go through the bill clause by clause, because it is certainly not clear to me at the moment, from this bill, exactly what the government has in mind.

On the liability insurance component of this bill, I really don't see this as being the way of doing it. What we are doing in this bill, and we have said this before, is allowing the private insurance industry to take further advantage of elected and appointed officials of municipal councils. While I recognize there is a problem and recognize that appointed officials in particular are in a position of some risk when dealing with the public for statements they may make or may be assumed to have made, I don't believe that encouraging municipal councils to pour money into the private insurance industry, to provide liability coverage in the millions of dollars—and we're talking about millions of dollars of insurance coverage, because many of the projects that are handled by appointed officials are million-dollar projects; that kind of insurance coverage seems to me to be an incredible waste of public money when there are other ways of dealing with the situation.

The members of this House and provincial government officials in general are covered by mechanisms that do not involve expenditures of public money in the same way that this liability insurance coverage does. It seems to me that what has happened is the insurance industry has developed a new kind of insurance coverage and has very effectively sold that to the government and to the municipalities, and we're seeing tax dollars being poured into that kind of insurance coverage when in fact the insurance could be made unnecessary. I hope the minister or his parliamentary assistant will see fit to respond to that.

Historic documents and parking on municipal property are very much in line with the Municipal Act and in line with the beliefs that we on this side of the House hold, and we have no objections to those sections.

The change in the interest rates that can be charged for overdue taxes is something we discussed previously. We did not oppose it when it was being dealt with for other regional municipalities. Of course the change in interest rates that we have seen in the six months since we last debated this matter in the House leads us to seriously question what's going on with the economy and how the government is handling the economy of this province.

I would prefer to see the matter left open-ended to allow the municipalities to adjust their rates, but in view of the fact that one and one quarter per cent per month, or 15 per cent per annum, is not out of line and that it is permissive—in other words that municipalities may charge less than that if they so wish—we are not prepared to stand in the way of that particular amendment.

It does concern me, though, that the amendment deals not only with tax penalties on individuals or corporations that are overdue, but also with tax penalties on other municipal councils within a regional government system.

It seems to me that if a regional council is overdue in its payments to a lower tier council, or vice versa, then to start pouring taxpayers' money into paying those tax penalties is not a very useful way to go. I would hope that both regional councils and lower tier councils would be sufficiently responsible that they would not get into a situation where moneys owed to each other are overdue and they are having to transfer tax dollars between one level and the other in order to pay the penalties. That just seems to me to be not a responsible way to run regional government.

Investment in credit unions, we in this party support wholeheartedly and welcome. It's a move in the right direction. I would hope that all our municipalities would regard this as a matter where affirmative action is needed and that we will see some major shifts from the banking sector to the credit union sector as far as municipalities are concerned. It disappoints me that in the months since the previous amendments to the Municipal Act were dealt with in this House I don't believe that a single municipality has taken advantage of a credit union. I think that's disappointing and I hope they will review that.

On the matter of purchasing or renting machinery, it amazes me that a matter that involved a legal situation has been let go so long. Municipalities at the regional level appear to have been acting illegally ever since they were established. It's incredible that it has taken five years to get this amendment for Metropolitan Toronto before us in the House.

On condominiums, I think my colleague the member for Hamilton Centre (Mr. M. N. Davison) will be making some comments. The change is certainly in the right direction. It's a change that will permit a condominium association to contract with a municipality for maintenance of facilities. As I am sure the minister is aware, we believe that the matter should be taken very much further and that condominiums should receive additional benefits from the municipality rather than being subject to double taxation as they are at the present time. That's something about which we have considerable feeling.

Many of the remaining sections are not of great concern to us and I won't take the time of the House to speak on them at the present time. The amendment with regard to section 12 of the Planning Act is something we welcome in view of the fact that it's a problem that should never have been allowed to exist in a democratic system. Democracy seems to me to imply that a decision is made by a majority of those who are there rather than by a majority of those who could be there. That's something that is fairly fundamental to the process we have.

On the matter of English or bilingual forms in Ottawa-Carleton and in Sudbury, which is dealt with under two sections of this act, we are concerned that this appears to be a piece of permissive legislation on the part of the ministry. We believe that the minister should be required to permit these forms to be in a bilingual version. In fact right across the province, all municipal forms, where required, should be available in either English or French. I hope the parliamentary assistant will give a commitment, as he did when we were discussing a previous bill, that the minister will provide these forms. We in this party would be satisfied with such a commitment because the commitment would be on the record. But if there is not such a commitment then we will be introducing an amendment to provide for our views on this matter.

With regard to the adjustment in the method of regional representation for the city of Nepean, we are concerned about the concept of delegating to the minister a matter of representation on a regional council. In the past the structure of regional councils has been dealt with by this Legislature.

I am aware that in this particular case there is a problem in negotiations between those who will become part of the city of Nepean and those who are on the regional council of Ottawa-Carleton. However, I would very much hope that the matter could be resolved in time for legislation to be introduced into the House, in which case the minister's order will not be necessary. I hope if it is expected that this section is to be passed very soon the minister or his assistant will dictate to us how the minister intends to exercise the powers which are conferred upon him by this section if the future city of Nepean and the Ottawa-Carleton regional council are not able to reach agreement.

I really don't understand how the minister will come to a decision as to which side to take. Will there be compulsory arbitration or will there be final offer selection? How indeed will the minister decide how the city of Nepean should be represented on the regional council if the two groups presently in dispute are not able to reach a solution?

With regard to the change in membership of the Ottawa-Carleton Transit Commission, I have had some conversations with individuals in that regional municipality. They assure me it is a satisfactory approach, and indeed the transit commission should better be able to deal with the problems of the region if its membership is enlarged as proposed.

With regard to the right of appeal concerning calculation of sewer rates in Niagara, it continues to concern me that in cases where there is a dispute between a lower-tier municipality and the regional council, the impression is given that the regional council is allowed to overrule the concerns of lower-tier municipalities.

Mr. Bradley: A travesty of justice.

Mr. Isaacs: I think this is a fundamental problem with the regional system as it is structured at the moment. As has been suggested, we probably need a far greater review of regional government than dealing with these kinds of issues in a haphazard manner that appears to be riding roughshod over the rights of the lower-tier municipalities.

Mr. Bradley: We have got to review it right out of business.

Mr. Isaacs: If disputes do arise, then we need to get to the root of the problem rather than taking away the right of a lower-tier municipality to appeal to the Ontario Municipal Board. I hope the minister will be pre-

pared to justify his actions to this House, to the people of Niagara, and to the people of those municipalities in Niagara who feel they are being roughly treated by this section.

Mr. Bradley: Hear, hear; glad to see the New Democrats have joined us now.

Mr. Isaacs: The matter of industrial promotion in the regional municipality of Peel gives us very great problems. There are already many hundreds of thousands, probably millions of dollars, being spent in this province by municipalities competing against each other for the same industrial development. What this amendment proposes is that even within a regional municipality the lower-tier municipalities will be able to compete with each other for industrial development. The item was left out of the bill, presumably a drafting error, but it is my understanding that an amendment will be presented when we go through clause by clause to make the section read as the briefing notes suggested it should have read. That gives us very grave concern.

It seems to me that there should be much greater co-ordination of industrial promotion so that tax dollars are not being used by neighbouring municipalities to compete for the same growth, and indeed by municipalities outside the Metropolitan Toronto area to lure growth away from Toronto. Sometimes we are not even dealing with growth, we are dealing with industry moving completely out of areas where it is presently serving the people very well into other areas of the province where tremendous costs are imposed upon the taxpayers for that industrial growth.

Of course there is need for development around this province, but that development should be co-ordinated.

Mr. Mancini: You can't trust those socialists.

Mr. Isaacs: It should be put in places where it serves the people of Ontario to the very best. To encourage municipalities to set up industrial development commissions to lure growth from their neighbours, even within regions, and in this case within the region of Peel, is something we just cannot tolerate. We will be dealing with that at the appropriate time.

With regard to the city of Mississauga Public Library Board, we come back to a legal issue I know has consumed the time of a lot of members of this House. Those who are of the legal profession probably understand the issue far better than I ever will. I am aware that it relates to the matter of retroactive regulations and that that matter has been dealt with time and time again by the committees of this House. Indeed even this summer, one committee was spending time discussing whether a minister has the ability to issue retroactive regulations. Of course, it's appropriate that the minister's error be corrected in this way and that the city of Mississauga be permitted to continue the excellent library system it has in place, but it bothers me that we have to go through this kind of amendment to correct errors made by previous members.

[5:00]

Finally, on the regional transit system in Hamilton-Wentworth; yes, the amendment is a good one, but I hope that regional council and all other regional councils will realize their very serious responsibility to all residents of the region, and that we will not see this kind of amendment again becoming a battleground between one part of the region and another as to where transit service should be located and who should be allowed to operate regional transit service or private transportation services where no public bus service is presently being provided. I sometimes believe regional councils do not take seriously enough the burden, the authority, we place upon them to deal with issues of this kind and, in fact, these kinds of issues degenerate to a very low level with one part of the region fighting with another part of the region.

In principle, this amendment is absolutely excellent and allows for co-ordination right across the region. I want to say to the minister that he does have the potential to encourage public transit to be yet another component of the battle going on. I hope the minister and his staff will use all their good graces to encourage Hamilton-Wentworth to deal with things in a responsible manner and to ensure that public transit, and indeed all services, are provided in an appropriate way to all residents of the region.

In summary, the bill deals with a lot of basic housekeeping issues, some of them more important than others but, nevertheless, issues which do touch upon the problems facing regional government. But it doesn't in our view, go anything like far enough. We're still standing here waiting for the government to tell us what its philosophy of regional government is and why we deal with these things in such a piecemeal fashion when we have so many regional government reviews waiting for proper attention and so many problems with regional governments right across this province. We're looking forward

to going through this bill on a clause-by-clause basis and to discussing some of these issues in a little more detail.

Mr. Bradley: Mr. Speaker, to begin with, I would express the concern some of us on this side of the House have at the way this bill was presented today to this House. I recognize that the bill in another form, substantially the same, was presented to the House in an earlier part of the session—in the spring sittings—and that, along with other bills, we had the opportunity at that time to evaluate some of the changes that were proposed. However, I think there was an assumption on the part of some members of the House that this bill would be reintroduced in a somewhat new form and that there would be sufficient time for members once again to evaluate the changes proposed.

The first time I saw Bill 152, as it is called now, was this morning. This bill was delivered to my office today. Without having had time to consult with many of the people at the municipal level, we are supposed to deal with this bill this afternoon or this evening, make a judgement on it and pass it.

I've had the opportunity this afternoon to make a couple of quick phone calls back to my municipality to gain some input on it but, because they were unaware of the fact that the bill would be called before the House today, the people within the municipality were unable to provide the kind of in-depth analysis of the provisions that would have been beneficial to those of us in the opposition and, would have indeed, permitted those in government who have the same responsibility to speak on these bills to do so in a meaningful manner.

There are, however, a couple of provisions in this bill I find repulsive. The member for Waterloo North (Mr. Epp) has alluded to the fact that we are not entirely happy with all the provisions of the bill. The member for Wentworth (Mr. Isaacs) has zeroed in on a few areas of the bill which he feels are of some concern. One concern he shares with us is the provision that talks about the right of an area municipality to appeal the method by which a sewage rate is established.

The Speaker is no doubt aware of the long history of discontent with regional government in the regional municipality of Niagara. The member who sits in front of me in the House at the present time, the member for Erie (Mr. Haggerty), was one of two members in the Ontario Legislature—the former member for Niagara Falls, Mr. George Bukator, was the other—who spent some time opposing the region of Niagara bill at its inception. Indeed, it was the members of the Liberal Party in this House who wanted a one-year delay in the implementation of that bill so we could avoid the kinds of situations that exist at the present time.

Our friends to the left, the New Democrats, along with the Progressive Conservative government at that time, decided that regional government should be implemented in the regional municipality of Niagara and therefore we have it.

Mr. Haggerty: They favoured regional government then. There's a change of heart now.

Mr. Bradley: We in this party accept the fact that the years of experience have given them the kind of wisdom and knowledge necessary to oppose regional government in its present form and we certainly appreciate the support we are receiving from the New Democrats in this regard.

The provisions of greatest concern to us are those in sections 23 and 24 of Part II of the bill, which refers to the regional municipality of Niagara. Section 23 establishes control over all the sewage within the regional municipality of Niagara. If our local engineer had the opportunity to evaluate this, he might express some concern about the fact that the region shall deem what goes into the sewers, even though it may be going through city sewers and then joining into regional sewers. This is the nonsense of having two levels. It provides that, by passing a bylaw, the regional council will have the capacity to say what shall go into the sewers and what shall not.

We would be very concerned about that, because we have had experiences in the past where the region hasn't made decisions that have been beneficial and reasonable in terms of the city of St. Catharines.

I could not be in favour of section 24, which leaves the region to determine the method by which the sewer rate shall be established. I realize it is not the rate itself which will not be subject to appeal to the Ontario Municipal Board, but the method by which that rate is established.

Our concern dates back to our former agreement with the then town of Thorold—now the city of Thorold—which we felt was very beneficial to both municipalities. Upon the imposition of regional government in Niagara, the region determined that the city of St. Catharines should pay substantially more and the town of Thorold substantially less. Consistently, we have had to put up with a regional council that is largely very parochial in its thinking.

We in St. Catharines have had to pay the lion's share of the costs of regional

government, and the people I represent are fed up; they do not wish to see one more power given to the region. Section 24 is giving the region that power, without recourse to the Ontario Municipal Board. So I can't support that section, and when we have the opportunity to deal with the bill section by section in committee, I will not be supporting the provisions of sections 23 and 24.

I would like to move an amendment later to abolish the regional municipality of Niagara, but I think the Speaker would no doubt rule that kind of amendment out of order.

Mr. Epp: A very worthwhile amendment.

Mr. Bradley: Mr. Speaker, if I were to do that, I would receive 100,000 letters from people all over the regional municipality of Niagara approving that particular motion. But I wouldn't challenge you, Mr. Speaker, to decide whether or not to rule that out of order.

Mr. M. N. Davison: Mr. Speaker, regarding the previous speaker's plan for fixing up regional government, there is a difference between a simple solution and a simple-minded solution, although I don't suppose that will stop them from putting that forward in each election as long as we have regional government.

Once again we are faced with a regional municipality amendment act that doesn't deal with the real problems, the real issues; that is just an attempt to treat, and not all that well, a few symptoms, ignoring—if I can use my mayor's favourite word for regional government—the disease. He is at times a bit extravagant, being a Tory.

I noticed the Minister of Intergovernmental Affairs flitting about the House a while ago. I'm not sure if he's still around, but if he isn't I'm sure the parliamentary assistant will take my remarks back to the minister.

Mr. Bradley: Look for a halo.

Mr. M. N. Davison: Like all the other members who have spoken from this side of the House this afternoon, I would also like to tell the minister I don't much like regional government in Hamilton-Wentworth either. I don't think the government has done a very good job with it.

It's not good enough for the minister and the rest of the government to sit on their collective hands hoping that somehow the discontent in the community is going to evaporate. It's not going to, and the reason it's not going to is because there are very serious flaws in the way in which regional government has been implemented.

Some are uncorrectable now. They've gone on too long and we're never going to find solutions for them. But there are some instances in which the government can and, I think should move. The Tories and the Liberals foisted this form of government on the good citizens of my riding and my area, and now they seem totally unwilling to do anything about it. They sit there with a total lack of will to move towards some sort of agenda for change. They have a regional review, then we get the kind of statement we have from the minister last week in terms of what's going to happen, and we get this bill, which deals with a few small problems and doesn't deal with them properly. That's not good enough.

This government lacks, and lacks so badly, the qualities of courage and vigour which one expects to see on occasion in a government in the 1970s in a dynamic province like Ontario. Hopefully, we'll be having an election in the very near future and we'll be able to correct that problem.

Mr. Mancini: I wouldn't want an election too soon, if I were you.

Mr. M. N. Davison: I'm ready. Let's go.

Mr. Mancini: I think that 14-vote majority is pretty shaky. I think we're in a delicate position.

Mr. M. N. Davison: If we go now, we can double that to at least 28.

There are three items in this bill I want to comment on specifically. I agree with my colleague from Wentworth when he talks about the movement of securing some sort of liability insurance for members of our councils and local boards. I really don't understand that. Do you know what it looks like? When you consider the arrangement here and how satisfactory that is, it looks like an excuse to hand out some money to somebody's friends in the insurance industry. The insurance industry is not so poor that it needs a gift like that.

I realize it's a problem at the local level. This isn't the solution we should be coming up with. Surely, with all these clever people on the other side of the House, these self-professed clever people on the other side of the House, we should be able to find a solution which will provide that kind of protection without lining the pockets of the insurance companies on some kinds of contracts they're going to be dreaming up. I don't think we should be issuing the insurance companies with this kind of blank cheque. They don't need our help.

I would hope the government would address itself to the real problem and find some sort of legislative solution other than this kind of giveaway.

[5:15]

The second matter is the question of condominiums. I am not going to disagree with what the government's doing because allowing condominiums to contract that kind of service will help a bit. But, again, even when the government dealt with a specific problem within the regional municipalities it dealt with maybe 1/20th of the problem we've run into there, the problem of double taxation on condominiums.

Over the past 10 years, the government has seemed reluctant to move to help the condominium associations and condominium unit owners. We see that, not only from the Ministry of Intergovernmental Affairs, but also from the Ministry of Consumer and Commercial Relations. That's not good enough. These two ministries—indeed, this government, has a responsibility to do something; to put themselves on the side of the condominium unit owners, ordinary working people. It's time this government stopped abusing them. It's time something was done on a more major scale rather than this little bit of play acting we're involved in. The government has been abusing those people for years in this province and it does not serve well that they give them this tiny little handout.

The final matter I want to comment on is the matter of credit unions. I think it's probably the single most useful and important initiative taken here. As my colleague from Wentworth said, even though the municipalities have the capacity to be members of credit unions, not all that many of them have taken advantage of it, and that's a shame.

In the riding of Hamilton Centre, as in most of our ridings, I suspect something like 25 per cent of the population are members of and shareholders in the credit union movement. I can't speak for every other riding in this province, but in Hamilton Centre the percentage of constituents who are shareholders in the banking system is a good deal less. I think it's time we did something to promote the credit union movement in a practical way. This is going to be good for the movement. I wouldn't be totally facetious if I suggested maybe the minister should have made it compulsory, or looked at some other method of further encouragement. But it is a good step, and I think the minister deserves to be congratulated on that.

Those are my comments on this bill.

Mr. Haggerty: Mr. Speaker, I want to follow up on some of the comments, particularly those made by the member for St. Catharines (Mr. Bradley); I support his views.

We were trying to get a copy of the bill this morning, because it was not in my office. We tried to discuss it at some length in caucus but we had nothing to discuss because the bill wasn't there.

It reminds me of the introduction of the first regional bill back in 1969. Everybody in the House was anticipating that the government would move in this direction. We tried to obtain a copy of the bill because we wanted to know what was in it. It didn't come forward until some time late in the day. We debated it through second and third reading and continued in to the early hours of the morning. This bill reminds me of almost the same circumstances: the minister has brought it in at the last moment and expects somebody to stand up here and know what's in the bill.

If you look at Bill 114, Mr. Speaker, it only consists of some 23 pages. The revised bill before us this afternoon contains 38 pages, so some place along the line the ministry has added amendments to the interpretation of the act.

My main concern is with a couple of sections of the bill where conflicting viewpoints seem to be expressed. For example, under section 67, one of the amendments permits the regional council to collect costs incurred under section 9 of the Building Code Act, 1974, through the area municipality in which the building is situate. Section 9(4) of that act permits a municipality to repair and demolish unsafe buildings at the owner's expense.

I can't see why the region would want to get involved in something which is more parochial and should be left at the municipal level where there are local fire inspectors who can condemn a building or say whether or not it's safe. I suggest that we're only going to compound problems between a region and a local municipality. I would even suggest that that section should be withdrawn from the bill. I don't see where there's any benefit to be gained by it. That may be another area where municipalities might want to do a little buck-passing to the region and say, "It's your responsibility." The region's going to say, "No, it's yours." I can see no advantages there whatsoever.

The other matter is concerning sections 7, 23, 37 and 52, where "the added subsection 2 permits the regional council to pass bylaws for prohibiting or regulating the discharge

of matter into sewers or treatment works under the jurisdiction of the regional corporation. Subsection 3 provides that in the event of conflict with an area municipality bylaw, the regional council bylaw prevails to the extent of the conflict." That may be causing some serious difficulties as it relates to the Environmental Assessment Act.

I suggest that the minister should take another look at that particular section of the proposed amendments. A municipality may not want to have a certain type of chemical or fluid go through its treatment plant. What it says here is that the regional council has the power to do what they darn well please. I suggest they shouldn't have clear authority in this particular area. It's an area where the public has perhaps more to say in this particular matter than elected officials.

The other one that is of concern is section 23 and 24, which was explained in some detail by the member for St. Catharines. The appeal procedures that are suggested in the new act are major changes. As the elected representative in the Niagara region representing the riding of Erie, I cannot accept these: to give the powers that the government wants to give to the regional council here takes away all rights of appeal from a local municipality. If the parliamentary assistant isn't quite aware of the point I am making, there's an instance in the regional municipality where the city of Port Colborne was charged excessive sewer rates. They were the highest of any municipality within the region. I think the member for St. Catharines said there should be some more uniformity in this particular area of charges for sewers and water treatment.

In this particular instance, the city of Port Colborne had objected to the regional municipality for two or three years, saying the rates were too high. Nobody down at the region would pay any attention to them. Finally, they had a meeting with the Ministry of Intergovernmental Affairs. I guess they met with some of the staff of the ministry at that time through Mr. McKeough, the then minister. Through their audit, I believe it was, they found that the city of Port Colborne was being charged twice for the same service. I'm talking about a few hundred thousand dollars in this instance. Perhaps this is one of the reasons this section is in here: the regional council thought they didn't have to pay or reimburse the city of Port Colborne for the extra charges that were cast upon them.

When we put in this amendment, we may have a similiar problem crop up in another municipality. It could add additional costs, away above the average, to the region. These municipalities, and particularly the taxpayers, have no right of appeal. As it is now, they can be heard before the Ontario Municipal Board; that's an important board in our democratic system. Where there are objections, taxpayers have a right to appeal any government decision; I'm talking about municipal government now. I think it's important that we maintain that right of appeal through our appeal system here, for any municipality. When we deprive a lower tier municipality of the right of appeal, then I think we've gone beyond the boundaries of our jurisdiction in that area. The Ontario Municipal Board plays an important role. I think it can be an unbiased body on this particular item, to arrive at a fair decision of assessment of costs for services put forward by the region.

Based upon those viewpoints, I cannot endorse the two proposals in sections 23 and 24 of the bill, because they deprive the local municipalities of their rights of objection to the costs involved that the regions may want to put on them.

When I look at the Niagara region, the costs some of these municipalities have to carry today are unbearable. Eventually, I suppose, I could support the member if he moved an amendment, this afternoon, that we dissolve or disband regional government in the Niagara region and perhaps go back to the two original boundaries we had previously. I think there would be merit in that.

When I look at the regional municipality of Niagara and see that we have two area school boards, one for Niagara south and one for Niagara north, perhaps there would be some advantage to going back to those old boundaries. We could be using the same computer, we could be using the same services and office facilities as well as other facilities the school boards may have. It has merit.

I am surprised that the members to my left, who have been strong proponents of regional government, are all of a sudden seeing the light and moving with some caution. I suppose, if they had to vote over again, they would vote against regional government. I can think of one member of that party, the member for Welland-Thorold (Mr. Swart), who I have often said was the godfather of regional government in the Niagara region. I can see his change of heart now. I thought perhaps this afternoon he would be speaking on some of these issues. I am sure he would be opposed to these two particular amendments suggested by the minister.

For those reasons, Mr. Speaker, I cannot support those two amendments to the bill as they relate to the Niagara region.

There is also another area the minister should be looking at. When he brought in amendments to the bill, he included three or four different regional governments. That can be rather confusing to the members when they have to relate to the parts of the bill dealing with Niagara, Peel, Ottawa-Carleton, Kitchener-Waterloo and so on.

It is very difficult to debate a bill such as this on the spur of the moment, with such short notice. The minister should give the members more time to get into it in more detail. It may be called a general housekeeping bill, but I feel there are some things that will still be contentious in the next year or so.

Mr. Roy: Mr. Speaker, I am being prevailed upon to make a few comments and, of course, I do so willingly because of the fact that part of the bill deals with the regional municipality of Ottawa-Carleton.

I would like to say to the parliamentary assistant that, as a member who has the honour to represent one of the ridings within the regional municipality of Ottawa-Carleton, I have seen amendments brought before this House on repeated occasions and I have seen different commitments made by a variety of ministers and a variety of parliamentary assistants about some of the proposals they had intended to put into legislation.

I recall in the past year or two that we, having certain initiative, have said for instance, the regional chairman should be an elected official. I recall discussing that with the then parliamentary assistant, who I think was the member for Durham West (Mr. Ashe), and receiving an undertaking that if we didn't propose it at that time, the next legislation coming forward would contain such a proposal. So we backed off.

Here we see the legislation coming forward, not only affecting Ottawa-Carleton, but also the other regional municipalities, and that legislation is not there. I could go on about other amendments we talked of.

I want to say it's awfully tempting to say: "Look, we are going to propose certain amendments. We're going to take the initiative here. Let the onus be on the government to withdraw the bill if it is not satisfied with the amendments proposed."

[5:30]

Undoubtedly, the member is aware that in Ottawa-Carleton it's not all wine and roses. There are problems in Ottawa-Carleton. The problems in Ottawa-Carleton stem from a variety of reasons. They go back as far as the time of the establishment of this region, the attempt on the part of the then Duke of Kent, the Honourable Darcy McKeough, to impose his stamp on this province. Of course, the fusion of rural and urban areas that took place at that time should have been more selective. They should have realized that, if there is going to be a region, one should try to encompass people, or at least entities, which have as many things in common as possible, whose priorities are similar, because then the cohesion on the part of the regional area is much easier.

Unfortunately, what has taken place in Ottawa-Carleton—and I suspect the same thing has taken place in other regional municipalities in the province—is the fact that the rural and urban areas which were fused did not have the same priorities. Some 10 years after the start of the regional municipality of Ottawa-Carleton, we have some area municipalities that are saying, "Look, we want out of this setup. It's not responding to the needs of our citizens. We think we should have an opportunity to vote ourselves out of this." I can just see the boys here in Toronto, the powers that be, saying, "Yes, well, fat chance of that. Good luck."

If we keep having these problems, the government may have to look at some of these things. I will say this: This government has some difficulty learning a lesson. It learned a lesson after 1975 and after 1977. That's when it put the brakes on the establishment of further regional areas in this province.

Mr. Mancini: Which year was that?

Mr. Roy: It was 1975 and 1977. In 1977, honourable members may recall, the Premier (Mr. Davis) tried to get his majority back, but it didn't quite work out that way. But I am digressing. I want to stick to the principle of this bill.

I want to say that just the goverment's backing off on the establishment of regional governments is not an easy answer. Just because they say they won't create any more and thereby hope not to antagonize anybody else in this province, that's not going to be the answer.

Mr. Mancini: That's strictly political.

Mr. Roy: As my colleague says, it is strictly a political move. We know the intention is still there, the mens rea. The honourable member will understand that. The mens rea still exists in the minds of this government.

I say to the parliamentary assistant that he had better keep a close watch on the existing municipalities. It is not all happiness down there. He had better start listening to the wishes of the local municipalities.

I see one of my colleagues from the area. He will support me on this as he usually does,

because he is a man who is objective, although somewhat misguided at times. But most often, when we get into regional areas, he knows what I am talking about, how some of the small municipalities and especially the rural municipalities are dissatisfied by the present process.

Mr. Bradley: Didn't they vote to secede a little while ago?

Mr. Roy: That's right. In Ottawa-Carleton, a motion was proposed. Maybe, I want to say to the parliamentary assistant, we should have amendments in this legislation saying that if a municipality wants to secede, to get out of the regional form of government, it should be entitled to do so, as long as it is done in a democratic way—which, I want to say, is going to be far more democratic than the way in which they went in, because that was not democratic at all. That's the type of amendment we should be proposing in this legislation.

Mr. Deputy Speaker: Perhaps the honourable member would refer to the sections in the bill rather than what should be in the bill.

Mr. Roy: I tell you, Mr. Speaker, the sections in the bill are not all that interesting. That's why I digressed a little. I just want to remind the government of some of the things we should have in the bill. I want to say to the parliamentary assistant that he should listen to some of the views of my colleagues or some of the municipalities within these regional areas.

One of these days, some of this legislation is going to come forth. We will come forward with amendments and try to correct what we feel to be the deficiencies within these areas. We are starting to get the evidence now. I suspect, if we wait all this while, we will not see it come from the government. They have failed to do so in spite of promises to us over the past two years.

One of the matters of great interest and importance, especially to the area of Ottawa-Carleton, is the acceptance on the part of the government now that certain forms and bylaws will be passed in both the English and French languages. In fact, I think it's within the legislation that certain oaths will be administered in both languages in certain areas. I say it's something that makes sense. It certainly makes sense in Ottawa-Carleton. It's something we think is important. It's high time it came forward, and we applaud this initiative on the part of the government. Especially in the area I represent, there are certain municipalities like Vanier where all discussion and participation is bilingual or in French. At the regional level as well, some of the proceedings taking place could be in both languages. We think it is an initiative that deserves our support, and we will be supporting these amendments.

Mr. Speaker, having made these few brief comments, I appreciate your indulgence. I was close to missing this opportunity. It was only because you told the parliamentary assistant to sit down and give me an opportunity, that I am on my feet now.

Mr. Rotenberg: My pleasure. I'll always let you speak.

Mr. Roy: I don't know if my colleague for Carleton-Grenville (Mr. Sterling) has spoken on this: whether he's had an opportunity to make his comments. I think he should be given an opportunity to say whether he will support my comments about the problems in Ottawa-Carleton. On that basis, Mr. Speaker, I am prepared to relinquish the floor to him.

Mr. Sterling: Mr. Speaker, I can hardly pass up the challenge placed to me by the member for Ottawa East (Mr. Roy). I am quite familiar with the problems that relate to regional government in Ottawa-Carleton. I think it is incumbent on our government to look at these problems and try to resolve them in some way or another.

These problems stem from representatives in the urban areas who are somewhat insensitive to the rural needs and the rural issues that exist within the region. Recently there have been meetings and a lot of talk in relation to conservation areas, designation of conservation areas, and planning issues in general in the rural areas. Quite frankly, it is felt by the rural representatives on regional council and by municipal councillors who don't have the luxury of sitting on regional council, that the urban people just don't know what it is all about in the rural area in terms of planning issues.

Mr. Conway: Neither does the OMB, given the recent reversals.

Mr. Sterling: This lack of understanding has led to disillusionment by a lot of the residents of the rural areas.

There is also another problem which has never been resolved, and I don't know on whose doorstep this falls. I refer to the understanding by local people as to what economic benefits or obligations they have incurred by the implementation of regional government. I think there should be a study of the economic benefits of regional government similar to the one done by Palmer in the Kitchener-Waterloo area.

I think it is incumbent upon this government and the municipal governments involved to explore these issues. I would hope the minister would look at this act and amend it at some time in the very near future. I hope he will look at the suggestions in the Mayo report about changing around the representation on regional council to those recommendations that he included in his report. I think if that were done there would be a quietening down of the issue. It would basically change the majority on regional council and would perhaps permit greater understanding by the regional council of the rural concerns.

I would hope the minister would bring in, in the near future, significant changes to the regional structure. I would hope, in summary, that he would bring some analysis of the economic situation in the region so people can understand exactly what benefits they are getting for the money they are paying. I think this should be done as early as possible.

The rural municipalities were successful in the regional council in bringing a motion recently to look at the situation, but those same rural municipalities have not offered an alternative form they wish to go to. They haven't offered any kind of structure they can go to, and I think it is incumbent on them to bring forward some solutions, as well as complaining about the existing system.

One thing a lot of people do not look at in terms of regional government is what is the alternative to regional government. Really, the alternative to regional government is amalgamations on a grander scale than has been taken on in the past.

Mr. Mancini: Not true.

Mr. Sterling: If you talk to the residents of the city of Nepean or the township of Gloucester, they would probably prefer a two-tier system under regional government than to have amalgamations take place.

So, although the public and the municipal politicians complain about regional government, they often do not have solutions that would replace it with any meaningful governing body.

I would hope the minister would look into these suggestions and resolve them as soon as possible.

[5:45]

Mr. Mancini: Mr. Speaker, I'd like to make several comments concerning Bill 152, An Act to amend certain Acts respecting Regional Municipalities. Some of the members have highlighted very well some of the points in this particular bill and some of the changes they would like to make. I think the fundamental point concerning this bill about regional municipalities is about all of the problems we've had with regional governments since they've been implemented. I believe the first regional government was implemented back in 1968 or 1969 and several others thereafter.

This program of regional governments was stopped after the 1975 election. All of us know very well why the implementation of regional government was stopped in 1975. The people of Ontario told the government of the day very directly that they did not want another tier of big and expensive government. They wanted to retain something they felt was important to their community; that is, local government which is accessible and local government whose expenditures could be more controlled.

I happened to be on a task force formed by the Liberal Party a couple of years ago. We toured the province of Ontario and visited every regional municipality. The concerns of the citizens who came out to speak to our task force were the same and their concerns were very clear. They were concerned about the inaccessible, large departments of the regional government. They were concerned about the new level of bureaucrats that had taken over. They then found out that what they had was a senior bureaucrat from the region talking to a senior bureaucrat in the province of Ontario. Instead of having their local reeve or mayor bring the concerns directly, what they found they had was a new level of highly paid bureaucrats doing this work for them.

The only people who came to those meetings to speak in favour of the region were the highly paid bureaucrats themselves. It was the same story everywhere. They came and defended the region. There wasn't any lineup of ordinary people in the hall speaking in favour of the region; just the highly paid bureaucrats who, I'm sure, were there protecting their own interests.

When we look back at the way regional government has been implemented we can see very clearly that the area represented by the inventor of regional government, Darcy McKeough, was never regionalized. He never wanted to subject the people of Chatham to a regional government, although he subjected many other people in other parts of the province to a regional government.

Thank goodness for the 1975 election, because the government also wanted to subject the county of Essex to regional government. It had a report done by some professor from England with whom I had the oppor-

tunity to speak. I tell the minister, I was never so disappointed. I don't want to be too critical. Maybe the word "disgusted" is too strong, but I'll use it anyway. We hired this professor who had come over from England. In one fell swoop, he wanted to change the lives of the people in Essex county. He wanted to change the way they viewed government, a government they had grown up with: local municipalities handling their own affairs, working through a county system which can and should be updated. But no, he wanted to have all of that changed, because he felt it was in the best interest of the people; he felt it would be more efficient. He felt this and he felt that. What the local people felt appeared to be of no concern to him.

That study cost, I believe, well over $100,000. They wanted to regionalize Essex county. That report sits where it belongs: on a shelf, gathering dust. I hope I never see the day that Essex county gets the same type of regional government we have in Haldimand-Norfolk, Hamilton-Wentworth, Ottawa-Carleton or in Sudbury.

We can tinker all we want with Bill 152. We can make minor amendments, and we can make sure bills are printed in French and English if that's what the region wants. We are not addressing ourselves to the fundamental concerns such as the fact that people who live in regions feel alienated; they feel they have lost a level of government they could deal with and they gained a new level of government which they find expensive and distant.

When my colleague from St. Catharines said he wanted to move an amendment to Bill 152 that would abolish all regional governments, I think he caught the sentiment of the way some of us feel. I am sure he was correct when he said if he moved that amendment he would receive hundreds of thousands of letters from people in the Niagara region.

It must concern us somewhat, and it surely must concern the members of that side of the House who have been solely responsible for the implementation of regional government—the gentlemen and ladies over there have been solely responsible—

Hon. Mr. Gregory: Didn't you vote for it?

Mr. Mancini: —for removing a form of local government that worked, and implementing a new, expensive tier of government which people do not like. Those members have been responsible.

The member for Mississauga East (Mr. Gregory) covers his face and pretends it is not a problem. Isn't he concerned at all that there are hundreds of thousands of people living in Ontario who have been subjected to regional government and who have told the government almost on a daily basis, through their elected representatives and local officials, they are not happy with regional government? Doesn't that concern the government members at all? It doesn't concern them at all.

Hon. Mr. Gregory: Sit down. You really don't know what you're talking about.

Mr. Mancini: Their response to the taxpayers' concern will be to dilly-dally around, have a fellow do an expensive report on the Ottawa-Carleton region and alleviate their concerns by pretending in that way to be doing something. Then the report will be put on a shelf to gather dust.

The government will do the same type of report on Hamilton-Wentworth to pretend it is doing something; and when the report is completed, it will put that on the shelf and let it gather dust.

The fundamental question of why people aren't satisfied and why they are unhappy living under regional government is not addressed by the government—not at all. If I were the Minister without Portfolio, I would work on my statements. I would spend the whole afternoon working on how I could get up in the House and make a statement that would be acceptable to the Speaker.

Mr. Deputy Speaker: Now back to the legislation.

Mr. Mancini: I'm sorry. Thank you for bringing me back on track. I want the government of the day to know that as long as we can we're going to stop the government from implementing more regional government. The taxpayers of Ontario are afraid of the Conservatives. They know that the minute there was a Tory majority, we'd have regional government from Windsor right through to Ottawa.

Hon. Mr. Walker: That's not the case. You should retract that. You should be embarrassed.

Mr. Mancini: We know the government is very sensitive on this issue.

Mr. Foulds: All four members present are sensitive on the issue.

Mr. Mancini: I'm sure they have taken a poll. I'm sure they've spent the taxpayers' money to take a poll. Bill 152 is just more tinkering with a system that hasn't worked,

will not work and is awfully expensive. That will be their legacy over there: Big government, big spending.

Mr. Deputy Speaker: Has the member for Essex South completed?

Mr. Mancini: Yes, I think I've covered many of the points I would like to cover. I see it's getting close to six o'clock. I'll close my comments.

Mr. Deputy Speaker: Is there any other honourable member wishing to participate in the debate?

Mr. Rotenberg: Mr. Speaker, my remarks will take more than the three minutes left. We might consider it six o'clock now.

The member for Waterloo North (Mr. Epp) indicated in his remarks he would have some amendments. I have received several from his colleague from St. Catharines (Mr. Bradley). If there are any other amendments he is proposing, would he be able to give us notice of those amendments so we might be able to have a look at them, as is the normal practice of the House?

The House recessed at 6 p.m.

CONTENTS

Tuesday, October 23, 1979

Day of the child, statement by Mr. Norton 3731

Securities legislation, statement by Mr. Drea 3731

Litter cleanup, statement by Mr. Gregory 3732

Gas and oil prices, questions of Mr. F. S. Miller: Mr. S. Smith, Mr. Cassidy, Mr. J. Reed 3733

Ryerson Polytechnical Institute, questions of Miss Stephenson: Mr. S. Smith, Mr. Cooke, Mrs. Campbell 3735

Gas and oil prices, questions of Mr. F. S. Miller: Mr. Cassidy, Mr. S. Smith, Mr. J. Reed 3736

Hospital bed allocations, questions of Mr. Timbrell: Mr. Cassidy, Mr. R. F. Johnston 3738

Health service charges, questions of Mr. Timbrell: Mr. Cassidy, Mr. R. F. Johnston 3738

Tourism support, question of Mr. Grossman: Mr. Eakins, Mr. T. P. Reid 3739

Health service charges, questions of Mr. Timbrell: Mr. Cooke, Mr. Cassidy 3741

Chemicals in schoolyard, questions of Mr. Parrott: Mr. Cunningham, Mr. M. Davidson .. 3742

Disposals of PCBs questions of Mr. Parrott: Mr. McGuigan 3744

Interest rates, questions of Mr. F. S. Miller: Mr. Laughren 3744

Regional Municipality of Hamilton-Wentworth Act, Mr. Wells, first reading 3745

Uniform Retail Store Closing Hours Act, Mr. Isaacs, first reading 3746

Securities Amendment Act, Bill 156, Mr. Drea, first reading 3746

Securities Amendment Act, Bill 132, Mr. Drea, withdrawn 3746

Pesticides Amendment Act, Bill 86, Mr. Parrott, second reading 3748

Bill 86, reported 3750

Bill 86, third reading 3750

Corporations Amendment Act, Mr. Drea, second and third readings 3750

Regional Municipalities Amendment Act, Mr. Wells, on second reading 3755

Recess 3769

SPEAKERS IN THIS ISSUE

Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davidson, M. (Cambridge NDP)
Davison, M. N. (Hamilton Centre NDP)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J. (Victoria-Haliburton L)
Eaton, R. G. (Middlesex PC)
Edighoffer, H.; Deputy Speaker (Perth L)
Epp, H. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Gaunt, M. (Huron-Bruce L)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Isaacs, C. (Wentworth NDP)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
MacBeth, J. P.; Acting Speaker and Deputy Chairman (Humber PC)
Mackenzie, R. (Hamilton East NDP)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Rotenberg D. (Wilson Heights PC)
Roy, A. J. (Ottawa East L)
Ruston, R. F.; Acting Chairman (Essex North L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Sterling, N. W. (Carleton-Grenville PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)



No. 90

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, October 23, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.



LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

REGIONAL MUNICIPALITIES AMENDMENT ACT
(continued)

Resumption of the debate on the motion for second reading of Bill 152, An Act to amend certain Acts respecting Regional Municipalities.

Mr. Rotenberg: Mr. Speaker, I appreciate the comments of the members opposite and of my colleague from Carleton-Grenville (Mr. Sterling). I appreciate the comments that have been made, many of which I agree with and some of which I don't agree with entirely.

At this point, I would like to confine my remarks to those matters which are within the scope of the bill. Many of the remarks that were made from across the floor, interesting as they might have been, really did not deal with the bill itself but with the whole principle of regional government, which is an interesting debate. Hopefully, some time in the future, we'll have a most interesting debate on the philosophy of regional government.

The bill we have before us this evening is a bill which, in effect, does a lot of housekeeping and makes some changes in the regional governments of this province, but does not deal with the basic philosophy of regional government or the heart of the matter.

I'd like to deal individually with some of the comments that members opposite made. I will probably deal with these in more detail when we get into committee of the whole House, if necessary. Possibly, some of the remarks I may make may answer the questions raised and may make it so that we will not require a committee of the whole House on all of the items.

The member for Waterloo North (Mr. Epp) raised the problem of interest rates. In June, when we put it in for the municipal governments and for Metropolitan Toronto, 1.25 per cent seemed reasonable. He seemed to indicate that the events of May 22 had a lot to do with the rise in interest rates in this country.

Mr. Epp: I'll buy that.

Mr. Rotenberg: I think that's not quite true. Interest rates in this country, unfortunately, have a habit of following the interest rates in Washington and Wall Street for whatever reason. In this particular case, we all must realize and recognize that we are not totally in control of our destiny.

I must apologize to the member for Waterloo North if I indicated to him that the boundary change in his region was a request from the member. I didn't mean it that way. If it sounded that way, I apologize. It was a request from the two municipalities of Kitchener and Waterloo and it was the member who did ask that that request be accelerated. I accept that correction from him.

There was the question of why debentures for some machinery were for five years and for other machinery were for 10 years. I think he had the answer himself in that road machines and roadbuilding machines are built to last much longer and, therefore, have much longer than a 10-year life. That is why debentures on a 10-year machine are allowed there but for other machinery they are only for five years.

The one criticism which I think the member for Waterloo North brought forward, which isn't correct, was that all regions have to be uniform. If all regions were uniform, we'd have one regional act and one act for all the regions. We wouldn't need to have 10 separate acts and 10 separate sections.

Many of the points that are in this act are mentioned within the Municipal Act and, therefore, are general for all municipalities, and these should be in the regions. Certainly, there is a lot of local difference and a lot of local autonomy. The philosophy we have adopted as a government on this side of the House when a regional government brings forward a request for a change in its particular legislation is that if the request is reasonable and is not contrary to government policy—if it's something that's not going to be totally harmful to the residents—we feel that the regional people who are elected are a government and, within reason, we should try to fulfil their requests.

I would like to thank the member for Wentworth (Mr. Isaacs), the New Democratic

critic, for his comments. I would also like to comment on several things he brought forward.

Section 26 gives the minister the same authority for regions that he now has under the Municipal Act; when a request for a change in boundaries or a change in ward systems comes to the Ontario Municipal Board, the OMB refers it to the minister. I would point out, first, that in practice the OMB is doing this anyway, even though technically it doesn't have to. The point about it is simply that the OMB refers it to the minister so he will know what's going on. If there is some legislation or something else in the works which would pre-empt the OMB hearing, the OMB certainly should know about it.

It does not preclude—and I stress this point—a region, even if it's under study, from coming to the Ontario Municipal Board and asking for a change in boundaries or a change in its ward system. It is, as one reads it, permissive for the minister: he may interfere; it doesn't say the minister must interfere.

As a case in point, various members in the Ottawa region have discussed the fact that they still have a study. It hasn't been finalized and concluded. Yet we are now, as I will discuss in a few minutes, looking after a request from Nepean to change its system because of a change in the status. There's a possibility, as I will mention in a few minutes, that the region of Ottawa will be asking for some change in its representation. Certainly that can go forward at the municipal board or at this level. It will not be precluded.

That section 26, as it is in the Municipal Act now, is simply permissive and doesn't require the minister to interfere.

When one mentions insurance, one gets sort of a knee-jerk reaction from the third party. As soon as one mentions the word "insurance," suddenly they think there's something not quite proper going on. I really don't understand. Certainly all municipalities, non-regions, have the right to buy liability insurance. Everybody else buys it. Municipalities buy car insurance, fire insurance, all kinds of insurance which are far more expensive than liability insurance.

Mr. M. N. Davison: The assembly has insurance for you, does it?

Mr. Rotenberg: Oh, yes, I'm insured. I'll be here for many years to come.

What is this? This is permissive insurance. If a municipality wishes to buy insurance, it may buy liability insurance. If a municipality wishes to be self-insured, it may be self-insured. If a municipality wishes to pick up the liability of a member of its council, it may do so.

There have been many times when the municipalities have picked up the money, either through insurance or otherwise, of a member of the council that was sued for libel. Probably one of the most famous cases, almost 30 years ago now, involved the then mayor of Toronto. If you remember, he was sued for $40,000. In the early 1950s, $40,000 was a lot of money. A judgement was given against then Mayor Lamport, because he accused someone of trafficking in taxi licences, and city council asked to be allowed to pay the money. They came to this Legislature for a special act, and the city of Toronto paid that money. It would have been an awful lot cheaper for the taxpayers of the city of Toronto if they had had insurance.

Mr. M. N. Davison: Why don't you legislate protection instead of giving public funds to the insurance companies?

Mr. Rotenberg: In this Legislature we have privilege while we are in this building. But if we walk outside to that rally or go down the street or to our ridings and say something, we can be sued.

Mr. Foulds: Walk outside the doors of this chamber and you can be sued.

Mr. Rotenberg: It's a question of whether or not this assembly is somewhat different from local council. The point I make, and the key point, is that a municipal council, if it wishes, should be allowed to pay the liability of a member of council because of an act while he is a member. A municipal council, if it wishes to, should be allowed to buy insurance. I think I'd point out to the member for Wentworth that in the total insurance package of any person, including municipalities, liability insurance is a very small amount of premium.

The member for Wentworth also raised the problem of tax penalties between municipalities. He says, and I would agree with him, that municipalities should be responsible if the local council doesn't pay the regional council the money on time. They just should. If the regional council doesn't pay back the local council on time, yes, they should. But there are, I guess once in a while, local councils which aren't totally responsible. If a local council does not fulfil its responsibility, does not make its payments—

Mr. Foulds: It's similar to the way the Ministry of Education withholds its grants from the boards of education.

Mr. Rotenberg: —then it would seem to me that council should pay its bills on time. If it

doesn't, the taxpayers in the receiving municipality should not have to suffer.

Mr. Foulds: Absolutely.

Mr. M. N. Davison: Where's the minister?

Mr. Speaker: Order.

Mr. Rotenberg: If a region, let us say, doesn't pay the money to the local municipality, the citizens of that local municipality in effect are losing interest at the bank, and they shouldn't do because of the irresponsibility. That is why, again, I feel this interest should be charged between councils.

The member for Wentworth also raised a problem about section 16, where it says the minister may prescribe bilingual forms. The word "may" rather than "shall," which the member for Wentworth would prefer, is simply what the counsel drafted. I would say to the member, because he has asked me, that I will give my commitment, and the commitment of the minister who has authorized me to give this commitment, that the minister will produce these forms; that is, in effect, those forms will be produced. It is still up to the regional municipality whether or not it uses the forms, as the second section says, but there is no question this will be done by the ministry.

The other problem the member for Wentworth had was the little part about Nepean and allowing the minister to make an order about how Nepean people get on the Ottawa-Carleton regional council. The reason that is done and that it's not in the legislation is that we are not sure of the structure of the Nepean council for the next election. When they were elected for this term they had a reeve and a deputy reeve, and they, along with the councillor who had the most votes, became the three representatives. There still will be three representatives, unless there is a change in the overall system.

We don't know whether or not Nepean wants to go to a ward system. If Nepean does not go to a ward system, the representatives would probably be the mayor, who would automatically be on it, and the two councillors who poll the highest votes in an at-large election. If they go to a two-ward system, with two aldermen per ward, it would be those with the most votes in each ward.

In effect, we are doing this in advance without hearing from Nepean as to how they are going to run their municipality and how they are going to run the next election. We are simply leaving it flexible. It probably would be better if it were in the legislation, but by leaving it flexible, when we find out what Nepean will do, we can go one way or the other. But, in effect, it will be in accordance with the desires of the city of Nepean.

The last point the member for Wentworth made—and here I agree with him—was about regional transit. Again, certainly the regions should be in the transit business. Certainly the regions should be responsible.

Mr. Bradley: Not the Niagara region.

Mr. Rotenberg: Well, the Hamilton-Wentworth region is, and certainly in Metro they are. I would simply say to the member for Wentworth that we can write the permissive legislation allowing the regions to run a responsible transit system; we cannot, unfortunately, legislate responsibility on behalf of municipal councils, or even for members of this Legislature.

The member for Erie (Mr. Haggerty) brought up a couple of points, and I see he has filed an amendment as far as sections 23 and 24 of this bill are concerned.

Section 23 gives the regional municipality—in this case the regional municipality of Niagara, but he will notice this applies also to several other municipalities where there is a split sewer system; it applies to the municipalities of Ottawa-Carleton, York and Waterloo. It is already in the Municipality of Metropolitan Toronto Act.

The purpose of section 23 in this bill is to give the region, which treats the sewage, the right to tell the area municipality, which collects the sewage, what cannot be in the sewage. In other words, if a plant has a certain kind of effluent, a dangerous chemical which might gum up the sewage disposal plant and so on, the regional municipality, which has control of the sewage disposal plant, can say to an area municipality, "You cannot put this type of chemical into the sewage system."

Mr. Conway: Whatever you say.

Mr. Rotenberg: I am glad I have the agreement of the member for Renfrew North (Mr. Conway), because his colleague wasn't all that happy about the thing and his colleague has filed an amendment to delete this section.

Mr. Roy: Have you responded to my comments yet?

Mr. Rotenberg: Yes. The member for Ottawa East was late. I gave him a chance to speak earlier. It was very nice of him to drop in today. It is unusual to see him in both the afternoon and the evening. If I had known he were coming, I would have waited for him.

Getting back to section 23, I would hope the member for Erie and the other members

of that party would consider simply that this power has to be given to the region so that certain types of effluent cannot be put into the sewage system by the local municipalities.

Mr. Haggerty: The region can allow it, though.

Mr. Rotenberg: The region has to be able to control what goes into a sewage disposal plant because, otherwise, chemicals which could gum up the works could come in through the local sewer system.

Mr. Haggerty: The regions have too much power now. They will gum up anything.

Mr. Rotenberg: As far as section 24 is concerned, it applies basically to the capital cost of the sewage system, and the amount of money that goes in for other things is not really affected. I will deal with that in more detail later when we get to the amendment put by the member for St. Catharines (Mr. Bradley).

Finally, both the member for Ottawa East (Mr. Roy) and the member for Carleton-Grenville were discussing with us the problems of the representation in the Ottawa region.

[8:15]

Mr. Foulds: I can see why those two members would raise the problem of representation for the Ottawa region.

Mr. Rotenberg: The honourable members must have had something in their dinner tonight. They were so quiet before dinner, but now they can't control themselves.

Mr. Bradley: They used to be quiet about regional government too until they discovered it was an issue.

Mr. Rotenberg: At least I am glad they are listening.

As I say about Ottawa, there is a move afoot in the Ottawa council to have a move on their own, possibly—I use the word "possibly"—to make a request to us to change the representation. There may be some value in changing the numbers on the Ottawa regional council. But certainly before we would move on it, we would like at least to hear the views of the regional council of Ottawa-Carleton. We may not agree with them. Whether or not they report we will not commit the government. I'm not saying we will make these changes in representation, but certainly it will be something that will be considered.

These cover, I believe, the major points that were raised by the members of the opposition. I know there are various points they want to raise in more detail as we go into committee of the whole.

Mr. M. N. Davison: Tell us about regional government in Hamilton-Wentworth.

Mr. Rotenberg: I have indicated there is one technical amendment I will be making. Therefore, I would ask now that we put second reading; I would hope all members of the House will support it and then I would ask that we go into committee of the whole.

Motion agreed to.

Ordered for committee of the whole House.

House in committee of the whole.

REGIONAL MUNICIPALITIES AMENDMENT ACT

Consideration of Bill 152, An Act to amend certain Acts respecting Regional Municipalities.

Section 1 agreed to.

On section 2:

Mr. Isaacs: I just want to clarify the comments the parliamentary assistant made a moment ago. Is he giving us a commitment from the minister that the minister's order will comply exactly with the wishes of the city of Nepean? If there should be any objection from regional council in Ottawa-Carleton, is he saying that objection will be ignored and representation on Ottawa-Carleton regional council from Nepean will be exactly as per the city of Nepean's wishes?

Mr. Rotenberg: I have to hedge a little on that.

Mr. M. N. Davison: Here we go, the old straightshooter from Wilson Heights.

Mr. Rotenberg: The honourable member is really on tonight. I am wondering why the honourable members aren't at the rally outside tonight; that's where all the noise is. Here we are trying to do business.

I say to the member for Wentworth, the act reads as follows: "two aldermen of the city of Nepean, to be selected in accordance with the order of the minister." If Nepean comes back and says it wants three aldermen plus the mayor, we wouldn't necessarily go along with that. They want more representation. In other words, we are saying two aldermen will more than likely be selected the way Nepean wants it.

There are only two ways they can go: If they have two wards, it will be the leading alderman in each ward. If they don't have the ward system, it will be the two top pollers. I can't see any other way.

If it's either of those two, yes, we will go along with Nepean's wishes. If they come up with some other method which is quite contrary to government policy and something we

would deem to be unfair, I can't guarantee we would go along with that. If it's one of those two, which are the only ones I can foresee, we will go along with it.

That's answering the question as best I can. I stress, of course, if they want a third member—which they do—that has to be dealt with in the context of the total council.

Section 2 agreed to.

On section 3:

Mr. Isaacs: I get the impression from the parliamentary assistant's comments a moment ago this section can be used purely at the minister's discretion to block any request for ward changes or for representation changes by any municipality within a regional council.

I had understood previously it was intended the minister would indicate to the Ontario Municipal Board that an inquiry into structural organization or methods of operation, et cetera, is going on in advance of the request coming forward from the municipality. I get the impression from the parliamentary assistant's comments this prerogative is to be exercised after a municipality has applied to the OMB for a change in its ward boundaries or representation.

If that is the case, it seems to me to be handing to the minister a veto on any municipality within a region making any changes to its boundaries. I don't see that ought to be our role, and it certainly oughtn't to be the minister's role. I would like some clarification on that.

Mr. Conway: The Minister of Housing (Mr. Bennett) is the final authority in all of this business.

Mr. Rotenberg: I am sorry if I wasn't clear. "When the minister is inquiring"—that's the way it reads right now—"when the minister is inquiring into the structural organization." If someone in Durham region, for instance, goes to the municipal board—there is no inquiry going on in Durham region now—the minister is not going to interfere. It is when an inquiry is already in progress that the minister has the discretionary right, in effect, to stay it at the OMB, pending the result of the minister's inquiry.

Mr. Isaacs: Where are inquiries going on at the moment that would cause the minister to exercise this kind of action? Is here an inquiry going on in Hamilton-Wentworth? Is there an inquiry going on in Cambridge? Is there an inquiry going on in Niagara? All these places have had inquiries that are still incomplete, and I am unclear as to what it means by saying "when the minister is inquiring."

Mr. Rotenberg: The only inquiries that may be considered going on, those which are still outstanding, are Niagara, Metropolitan Toronto and Ottawa-Carleton, where there were some reports which still hadn't been finalized. Those may or may not be considered inquiries. To the best of my knowledge, there are no other inquiries going on in any of the regions.

Mr. Bradley: There is something going on in Niagara now. Somebody is carrying out an inquiry.

Mr. M. N. Davison: Is the parliamentary assistant saying the inquiry process in Hamilton-Wentworth is at an end and this section therefore is no longer applicable in the Hamilton-Wentworth region?

Mr. Epp: You can't mean that, because an inquiry is a formal thing. You can't just be asking questions of them and then go on like that.

Mr. Rotenberg: I don't think there has been a formal inquiry into the Hamilton-Wentworth region. I may be mistaken. I can check with staff and make sure. I will answer that question in a moment.

Mr. M. N. Davison: During this pause, could the parliamentary assistant explain the difference between a review and an inquiry?

Mr. Rotenberg: The practice has been—it has been in the Munincipal Act for many years, and it would apply to the regions—that when an application comes to the Ontario Municipal Board, the board automatically writes to the minister. They were doing it under the Municipal Act because that act says that's what they should do. They have been doing it somewhat informally under the regional acts when, say they have an application for a ward change or a boundary change or something, by asking, "Is your ministry having an inquiry, or is something pending?" If nothing is pending in the ministry, the minister writes back: "Yes, go right ahead."

If there is an inquiry going on—I can't think of a recent example where there was a structural change going on in a municipality, but if there is a municipality whose boundaries are in the process of being changed through the ministry, then the minister would report back to the OMB that an inquiry is going on and something is happening, and then the OMB might order a stay.

This doesn't prevent the OMB from eventually hearing the inquiry, if it is not

covered by legislation, because it gives the minister the power to stay the inquiry but not to stop the inquiry.

Mr. M. N. Davison: I would really appreciate an answer from the parliamentary assistant. If it takes a couple of minutes for the staff to check through and inform him, that's all right. Is there or is there not for the purposes of this section an inquiry taking place, or what is the stage of an inquiry, in Hamilton-Wentworth? If there is an inquiry, how does anybody know about it? Secondly, what is the difference between a review and an inquiry? Thirdly, when does the process end and how does one know whether or not it has ended?

If the parliamentary assistant would like to take a few minutes for somebody to sort that out, that's all right.

Mr. Rotenberg: I think I have answered the question, but to get you a most definitive answer and see what you want, we can stand that down for the moment while I get you the answer.

Mr. Mancini: Stop being so arrogant. Just answer the question. He is the only parliamentary assistant I know who can strut sitting down.

Mr. Rotenberg: I think the simple answer to the question of the member for Hamilton Centre is that there is not an inquiry now going on in Hamilton.

Mr. M. N. Davison: What about the real answer?

Mr. Rotenberg: The real answer is there is not an inquiry going on in Hamilton now.

Mr. M. N. Davison: What is the difference between an inquiry and a review? How does the process end and when does it end?

Mr. Rotenberg: I don't think the review process ever ends.

Mr. M. N. Davison: What is the difference between an inquiry and a review? Does that mean that a review is always going on and, therefore, this section is always in place in a case like Hamilton-Wentworth?

Mr. Rotenberg: No, I would say it is not always in place in Hamilton-Wentworth or anywhere else.

Mr. M. N. Davison: What is the difference between an inquiry and a review? If the review process never ends, and we have a review going on in Hamilton-Wentworth, then why in Hamilton-Wentworth is this section not always in place? Is the parliamentary assistant not saying that the minister always has a veto in a case like Hamilton-Wentworth? That's what it sounds like to me.

Mr. Rotenberg: To put it very simply, the minister in effect always has the power, with or without this legislation, to take this kind of a hearing out of the hands of the municipal board. If the minister in his wisdom wishes to legislate a change, the minister can do so. As you know, changes in ward boundaries and so on normally go to the Ontario Municipal Board.

Mr. M. N. Davison: By what process without this section? By orders in council, by regulation, by legislation?

Mr. Rotenberg: The minister or the ministry can by legislation at any time legislate some changes in boundaries and so on. You are getting kind of technical. The basic purpose of the section is that if there is legislation pending, then it would seem normal for the matter not to go to the Ontario Municipal Board. This has been in the Municipal Act for a long time and we have never had any complaints about it. You seem to be suddenly up tight about the fact that the minister in the normal course of his duties might pre-empt an OMB hearing, which happens all the time.

Mr. M. N. Davison: I don't know if we are going to get any answers. What I am up tight about, what I am worried about and what I am concerned about, is that you don't even understand your own legislation and you can't explain it in the House. There is something seriously wrong over there.

Mr. Bradley: I am going to direct a similar question to the parliamentary assistant, specifically to find out what is going on in Niagara at the present time before I would agree to pass this particular section.

[8:30]

There is something going on. Somebody is asking questions down at the region. I asked the Minister of Intergovernmental Affairs (Mr. Wells) during his estimates just who was asking the questions and if there is some kind of review, inquiry or whatever going on involving people from the Ministry of Intergovernmental Affairs, or for that matter any other branch of the provincial government. Somebody's asking questions down there; questions designed to tell us the virtues of regional government.

That questionnaire should be very short and involve a very short review, if that's what they're doing. Is it a public relations firm that the region has hired to make them look good or is the Ministry of Intergovernmental Affairs of the provincial government doing the same?

Mr. Mancini: It's a Tory PR firm, that's what it is.

Mr. Bradley: Or are they taking polls?

Mr. Sterling: Is the member against regional government?

Mr. Mancini: Yes, I am.

Mr. Rotenberg: If the member is against regional government that's an honest opinion, we can have an honest difference of opinion on that.

Mr. Foulds: Trouble is the Liberal Party doesn't think it is.

Mr. Rotenberg: Mr. Chairman, with respect, I do respect the opinions of my colleagues on the opposite side of the House. I don't agree with them all the time, but they're of course entitled to have a difference of opinion; that's probably why they're sitting over there.

Mr. Chairman, I'm not exactly sure what is going on in the Niagara region, but there are from time to time in all regions and municipalities members of the ministry staff looking into the financial operations of the various governments simply to have an ongoing idea of what is going on. This is not done just in the regions, it's done throughout the province from time to time.

To the best of my knowledge, I don't think there's anything special going on in Niagara at this time that would be different from a normal review.

Mr. Bradley: Would the parliamentary assistant undertake to provide me with something in writing that would tell me what is going on? I realize it may take further consultation with his officials to determine just what is going on in terms of the provincial government in its relationship to the regional government in terms of a review of some kind.

Mr. Foulds: I thought the member was from the region.

Mr. Bradley: Somebody's asking the senior civil servants and other people questions down there about regional government. You seem to be implying that does not fit into this bill and therefore it doesn't fit the provisions of this specific section of the act. I'm prepared to take the word of the minister on that, but I'm wondering what is going on down there.

Mr. Rotenberg: Mr. Chairman, to the member for St. Catharines, in my role as parliamentary assistant I'm not in any way involved in whatever is going on down there. There's no question as far I'm concerned; I will have a note to the minister tomorrow to ask him to inform the member as to what is happening, I think that it is a reasonable request.

But to the best of my knowledge—and I always have to qualify to the best of my knowledge—anything that is going on down there is not in the nature of an inquiry which would apply to this section.

Mr. Isaacs: The parliamentary assistant indicated earlier that the minister could do whatever he wanted when a municipality came to the OMB. I just don't accept that, Mr. Chairman.

The minister can only do what legislation permits him to do, but it seems to me that the problem with this section is that if a municipality like Stoney Creek comes along and says, "We want to change our ward boundaries," or a municipality like Hamilton comes along and says, "We want to abolish our board of control," the minister can say, "No, you can't, because I'm going to have an inquiry instead." That just doesn't seem to me to be the kind of discretion the minister should have.

He should announce the inquiry as a thing that is going to happen so that municipalities know that it's a waste of their time coming forward, rather than the minister being given these very broad and very vague powers of veto.

Mr. M. N. Davison: They're vague all right.

Mr. Rotenberg: Mr. Chairman, I never implied the minister can do anything he wants. Of course he can bring in legislation with the consent of the House; I indicated that the minister can, from time to time, bring in legislation. It has happened, and in certain situations does pre-empt any hearing before the municipal board in this and many other sections of the Municipal Act.

Section 3 agreed to.

Section 4 agreed to.

On section 5:

Mr. Epp: Mr. Chairman, I am wondering if the member for Wilson Heights would assure this House that if the interest rate continues to rise at the rate it is currently rising the government will bring in an amendment fairly quickly to help compensate the municipalities so municipalities can charge one and a half per cent per month, or 18 per cent per year, on unpaid tax bills, and this will not be dragged out over the next two or three years.

As the member knows, the municipalities should not be in a position where they are in a sense subsidizing delinquent taxpayers who can be delinquent in their payments and at the same time be saving money.

Mr. Ashe: Always concerned about the little guy over there.

Mr. Epp: Hansard will so record.

Mr. Rotenberg: The maximum permissible rate now is one and a quarter per cent per month or 15 per cent per year. I would not give the assurance the member requests. If interest rates go up, I would be reluctant to charge taxpayers something more than 15 per cent on delinquent taxes.

There are really two kinds of delinquent taxpayers. The kind the member referred to are those who might take advantage of a situation by, in a sense, borrowing money from a municipality at 15 per cent, as they might feel it is cheaper than borrowing it elsewhere—corporate people, for instance—and the member wants to get around that.

Fifteen per cent is pretty high. The prime rate isn't up to that yet. I am worried about the smaller taxpayer, the poor person, who because of whatever squeeze cannot pay his taxes. I wouldn't want to raise the interest rate beyond 15 per cent at this time, so I could not give the member that assurance.

Mr. Mancini: The Tories have no concern for the poor.

Section 5 agreed to.

Sections 6 to 15, inclusive, agreed to.

On section 16:

Mr. Isaacs: For your information and for that of the Liberal critic, Mr. Chairman, I had previously circulated an amendment. As we have an assurance from the parliamentary assistant, and through him from the minister that the forms will be produced in a bilingual format, I don't think the amendment is necessary.

Section 16 agreed to.

Sections 17 to 22, inclusive, agreed to.

On section 23:

Mr. Chairman: Mr. Bradley moves that the bill be amended by deleting sections 23 and 24.

Mr. Bradley: Speaking to the amendment with regard to section 23, I am extremely concerned that the region would assume any more powers within the regional municipality of Niagara. What is desired in this particular section of the bill can be accomplished through co-operation between the various area muncipalities and the regional municipality of Niagara. It does not require legislation which would have the region dictate what shall be flowing from area municipality sewers into the regional sewers, given the silly situation that there are such things as regional sewers.

Some of our municipalities are very concerned about this. I remind the parliamentary assistant had they had the opportunity to know this bill was coming before the Legislature today they likely would have analysed the bill carefully and commented, and perhaps been in a position to be more supportive; but they could not be in this position.

I move this amendment to delete recognizing the subject matter of this section can be accomplished in other ways.

I would also mention I am certain the Minister of the Environment (Mr. Parrott) and officials of that ministry would be prepared to intervene if they felt the kind of discharges that would be taking place in the city sewer systems were adversely effecting the water supply into which those fluids or other things would be flowing. The provisions contained in the section referred to are, in my opinion, unnecessary as part of the bill.

Mr. Isaacs: There are two distinct provisions contained in this bill. The first is to give regional council the power to control what goes into the regional sewer system, and I really don't see a major problem with that. The regional council is going to be dealing with the sewage that is in the system and it is, after all, a situation where regional council is prohibiting the discharge of certain material rather than permitting discharge. Seeing as we start from a situation where absolutely anything can be put into a sewer system, and regional council and the area municipal councils—

Mr. Conway: It looks like an election campaign.

Mr. Isaacs: —are going to be saying these things cannot be put into our sewer systems because our sewage treatment plants cannot deal with them, it really doesn't make any sense to me to remove that provision and to remove the power of regional council to deal with the effluent going into regional sewage treatment plants.

We can't support the deletion of section 23.

With regard to section 24, one gets into a very fundamental discussion of regional government and whether one believes that as a concept regional government is worth having, or whether we should have a mix of 840 municipalities right across this province each doing their own thing without regard to the effect of that action on their neighbours.

I can understand the concerns the lower-tier municipalities have with regard to the removal of this right of appeal. On the other hand, if we had a situation where regional government was working harmoniously, where the battles were not going forward and where

everybody within Niagara and any other regional municipality was working for the best interests of that region and of the province of Ontario, I don't think there would be any dispute at all about this kind of provision.

Therefore, we cannot support the amendment, though we certainly understand the sentiment that lies behind it, because regional government is in such a mess at the present time in every one of the 10 regions suffering under it.

Mr. Haggerty: I want to address myself to the amendment put forward by the member for St. Catharines, deleting sections 23 and 24. I'm rather surprised that the member for Wentworth would not support the amendment when he ends his speech by saying regional government is in a mess and the intent of the amendment is to correct the mess that may exist in the regions. It doesn't cost the region a penny, it doesn't cost the government a cent and it doesn't cost the local municipality a cent, so I can't figure out why someone would not support it.

It's a good amendment. I think the reasons given by the member for St. Catharines are sound as they relate to section 23, where there is a conflict between a bylaw passed under subsection 2 by the regional council and a bylaw passed by the council of an area municipality under paragraph 129, subsection 1 of section 354 of the Municipal Act.

The bylaw passed by the regional council prevails to the extent of such conflict, but in all other respects the bylaw of the area municipality remains in full effect and force. If the bylaw remains in full effect and force in a municipality why must there be an additional bylaw, another law applying at the regional level?

I'm sure if someone is dumping municipal waste into the regional sewer system or treatment plant, the Ministry of the Environment would have more of a voice and more control in this particular area.

I was going to speak on section 7 of the act, but the subject also comes up in section 23, where the parliamentary assistant's comment previously was that it was there to protect the region so that certain chemical wastes would not be dumped into a municipal sewer system by a local industry making use of the existing sewer system.

Of course it can work the other way too. The region may permit a certain amount of noxious municipal waste to be dumped into a sewer system or treatment plant without the local municipality knowing what is going on.

[8:45]

I suggest that before the parliamentary assistant accepts this amendment he should see the recent report put out by Brock University. It was a study made by a group of students this summer relating to municipal waste disposal. It's not too complimentary to the existing controls, or even to the Ministry of the Environment or to the regional municipal public works department. There are problems there; there is talk of mercury and other dangerous chemicals being dumped into our water and streams throughout the Niagara region, particularly in—what do you call it?

Mr. Bradley: Twelve Mile Creek.

Mr. Haggerty: Twelve Mile Creek, Sixteen Mile Creek, Twenty Mile Creek—you name it. Even the Welland Canal is loaded with it. Whether this may be a catch-all whereby the region can cover up much of it, I don't know, but I would have this removed under section 24 as it relates to deleting this particular section.

If I can recall the original Niagara bill, there's a section under that act that permits the regional council to assess or fix a cost for municipal sewers across the whole region, that is storm sewers or any public works. My position on council has always been that those who receive the benefit should pay for it. Under this section it would permit them to charge the whole area.

I don't have to tell you the difficulty in just changing the equalization factors and the effect it would have on rural municipalities in the Niagara region. That apportionment cost alone has caused, and will cause, difficulties to rural municipalities, although the minister has come in with an ad hoc program to say the government would forestall it for another year and would only let the equalization factor rise by another five per cent. After that, in 1981, you will see that the apportionment cost for services within the region will be a tremendous cost to all rural municipalities in the Niagara region.

Mr. Sterling: Do you want to freeze the old factors?

Mr. Haggerty: The recent equalization factors?

Mr. Sterling: Yes.

Mr. Haggerty: That's right, the recent increases.

Mr. Chairman: Order; the member for Erie has the floor.

Mr. Haggerty: The point is that if this section was adopted it would give the regional council more power to apply different service costs thoughout the region—

Mr. Bradley: Is the member for Carleton-Grenville for that?

Mr. Haggerty: —regardless of whether they're receiving that service or not.

Mr. Mancini: The member for Carleton-Grenville is for that.

Mr. Haggerty: I would support deleting sections 23 and 24. As the member for St. Catharines said, I had an opportunity to call one clerk this afternoon, and from what he tells me there is no way that his council or any clerks in the municipality would support either one of those sections because you're denying the local municipality, a lower tier, the right of appeal. Surely in the case of my colleagues to the left, when it involves denying somebody his rights of appeal to come back and say they don't support our amendments, then there's something wrong in their thinking on that side. I suggest that since they deprive a local municipality of the right of appeal under this particular section, I cannot endorse the present sections 23 and 24. I support the amendment put forward by the member for St. Catharines.

Mr. Mancini: It look like pretty serious stuff.

Mr. Bradley: I addressed myself only to section 23 when I was speaking on this amendment. I'd like to address myself very briefly to section 24 and say that experience—

Mr. Rotenberg: Can I ask the member if we can deal with section 23 and vote on it? Then we'll go on to section 24.

Mr. Bradley: I'd be willing to do that. I am certainly willing to divide it on that basis and reserve my comments if you want.

Mr. Rotenberg: I'd like to speak briefly on section 23, and of course I will speak only to that at this time. As I indicated earlier, the objective of this is simply that those who run the sewage disposal plants have some control over what may come into the sewage disposal plants. Those people who have no responsibility for disposing of the sewage really aren't very concerned about what may go into the sewers until it gets to the sewage disposal plant. If the region is going to run a reasonable sewage disposal plant, you must allow that jurisdiction to control what goes in.

I'd like to make one other comment to the member for Erie about the opportunity the area municipalities had to comment on this particular piece of legislation. This legislation was, of course, first brought forward and presented to this House last May. It was circulated to all the municipalities. The wording is exactly the same in Bill 152 as it was in Bill 114, and, to the best of my knowledge, when that bill was called for second reading in June 1979 we had no objections from any munincipalities. We had no notice of amendments on these two sections.

Of course that doesn't preclude members, at this time when the bill is reintroduced, from bringing forth amendments. I don't criticize them for it. I'm simply saying there was ample opportunity for those out there, if they had wanted to comment on these sections, to do so, because it's been out there since May.

Mr. Chairman: Shall section 23 stand as part of the bill?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Section 23 agreed to.

On section 24:

Mr. Bradley: Speaking to section 24, this amendment flows out of experiences we have had in Niagara, the municipality which I represent in this Legislature. The municipality has had difficulties when it has had certain rates imposed upon it, most particularly as they relate, not specifically to sewage rates but to water rates which, as I've said to the House before, have increased 833 per cent since the inception of regional government.

We're also concerned, however, about the imposition of a regional sewage rate. While I realize this does not deal with the rate itself but instead deals with the method used to calculate this rate, the fact that we shall not have an appeal to the Ontario Municipal Board is what concerns me. Subsection 3 says: ". . . without having regard to the methods by which the regional corporation intends to recover the costs of the undertaking, work, project or scheme for which approval is being sought." I quote that from the bill. We're concerned that an area municipality should have the right to appeal.

The reason, in Niagara, is quite simple. They have a situation there where several municipalities tend to get together somewhere—I'm not saying in the back rooms—and, if it's to the benefit of certain municipalities and not to the benefit of another municipality, it seems to pass pretty consistently.

Mr. Germa: It's called democracy.

Mr. Bradley: There are some who are even prepared to make a little bit of sacrifice in their own community as long as it is detrimental to this one particular municipality within the region. I hear the comment that that is called democracy, but we in our democracy also want to defend the rights of the minority and allow them the oppor-

tunity to appeal. This is why I'm asking that this right of appeal not be removed; that an impartial observer, and impartial judge, the Ontario Municipal Board, be able to render a decision which is without political bias or parochial considerations. This is why we are asking for this, even though some would say, "Don't you want local autonomy? Don't you want to leave it in the hands of local people? Isn't that what you people always want?"

I've had to concede, even when I sat on municipal council, that I would rather have the province make a specific arbitrary decision. In other words, the government would take into consideration the facts on each side and make a decision which at least is impartial and not fraught with the kind of parochial considerations we have because of the kind of regional government that has been created, with so many disparities and with a lack of commonality of interest which mitigates in favour of these kinds of decisions.

I'm asking you to allow this appeal to remain; and you may do so by supporting this amendment to delete section 24 or however the chairman wants to word it.

Mr. Isaacs: I am not going to support what is in the bill because I didn't propose it and we should have done things much better. We would have looked at the whole structure of regional government and put in place something that works instead of trying to mess around with something that doesn't work.

In response to the comments made by the mover of the amendment, the difficulty that exists at the moment is that the Ontario Municipal Board hearing into financing can be held after the whole project is completed. That is patently absurd. It makes no sense to go before the OMB after the project is built and decide how people are going to start paying for it.

In addition, how many times does the little guy win before the OMB? I ask you, Mr. Chairman, do you really have confidence that the OMB is going to decide on the basis of what is right and just and fair? When does that happen?

Mr. Mancini: That is what your chairman of procedural affairs has been saying.

Mr. Isaacs: What happens at the moment is that the lawyers for the two municipalities are paid thousands of dollars to fight an obscure battle based on law, based on absurd expert advice, and it ends up costing the taxpayers thousands of dollars to get what the region would want anyway. It seems to me a ridiculous way to go about doing things.

No doubt we have to find a better way of resolving disputes and a better way of resolving disputes would be to put people on our municipal councils who are committed to working for the best interests of their own community and the rest of the province, not to get into legislation that allows people to hire lawyers to fight crazy battles at the OMB.

We can't support deleting this, Mr. Chairman, because all it would mean is more money wasted on lawyers' fees to no good effect.

Mr. Bradley: So you are in favour of stronger regions.

Mr. Mancini: Let the record show the NDP supports stronger regional government.

Mr. M. N. Davison: You want to give away money to insurance companies and they want to give it away to lawyers; what a horrible party.

Mr. Rotenberg: A lot of matters have been raised here, but the principle on which Niagara is running is that there is a uniform water and sewer rate throughout the municipality. The Niagara region has, in effect, chosen to build its sewage plants at capital costs, not based on assessment or taxation but based on usage, based on water and sewer flow, which has to be even throughout the regional municipality.

What the legislation is saying is an area municipality cannot appeal to the OMB on the basis that they don't like the method the Niagara region is using and want to go back to taxation or assessment or some other method.

Another principle of the bill is the question of who makes a final decision. We hear a lot of talk about local autonomy, and yet the members of the regional council are elected. Yes, from time to time regional councils are elected. Yes, from time to time regional councils of every government may not make the best decisions, at least in the eyes of some, but they are elected. Shall the final decision be made by the regional council which is elected, or by the Ontario Municipal Board which is an appointed body?

The other point is, of course—as the member for Wentworth says, and I am pleased to have his support however grudgingly given—the question may get to the OMB far down the road, after the project is built.

Mr. Bradley: They support regional government.

Mr. Rotenberg: Once a method has been set up and charges are brought forward, an appeal comes. The region has guaranteed its

revenue flow, and they may be financing the program through 20 or 30 years, and suddenly, several years down the road the OMB upsets the plans. That's going to put the regional municipality in quite a serious financial mess; it may give them problems in meeting their commitments, it may even affect their credit rating.

Mr. Bradley: We are already in a serious mess.

Mr. Rotenberg: This is something the regional councils have asked for in order to run their affairs a little better. If this does not carry, if the members for the Niagara region have their ways and area municipalities do appeal to the OMB, the methodology of the capital costs of these sewer plants comes down the line and could end up, hypothetically, with the areas appealing to the OMB, losing, and then appealing to cabinet, and we are right back into this situation.

I don't know if the members would rather have the regional council making the final decision or the cabinet making the final decision.

Mr. Bradley: That's a tough decision.

Mr. Rotenberg: It is a tough decision, I know, whatever cabinet it might be; and many years down the road, when you just might get over here, I still want the local people to have the decision-making process; for two reasons.

One is that they are the local people and they should have control. Secondly, they do it on the spot and by the time it gets to another level it would be two or three years down the road and really upset the financial basis of a regional municipality.

I would ask that section 24 stand in the bill.

[9:00]

Mr. Chairman: Shall section 24 stand as part of the bill?

All those in favour will please say "aye."

Al those opposed will please say "nay."

In my opinion the ayes have it.

Section 24 agreed to.

Sections 25 to 30, inclusive, agreed to.

On section 31:

Mr. Bradley: In regard to section 31(2), at the very end after the words "Municipal Act," I have an amendment to move.

Mr. Chairman: Mr. Bradley moves that the bill be amended by adding the following words to section 31, subsection 2: "But notwithstanding this provision the duly elected council of any area municipality within the region may with the affirmative vote of two thirds of its members withdraw that area municipality from the region."

Mr. Bradley: The purpose of that amendment is quite clear, Mr. Chairman.

Mr. Rotenberg: On a point of order, Mr. Chairman: I would ask for a ruling on the motion. I would think that is totally without the principle of the bill and has nothing to do with the section. I would ask you to rule that motion out of order.

Mr. Epp: Don't you have your principles with you today?

Mr. Rotenberg: I do, but that was not in this bill.

Mr. Chairman: Does the member for St. Catharines have any comment?

Mr. Bradley: Mr. Chairman, naturally I would bow to any decision you would make in regard to the protest put forward by the parliamentary assistant. I recognize why his government would not want to see this amendment placed before the House. I do feel it is relevant to this particular section and it would also allow the people of the regional municipality of Niagara to pass judgement on whether they wished their area municipalities to be included in legislation of this kind. It is the popular choice of the elected people. They can then choose to participate or not.

This is something we have been looking for in the Niagara region. If the people of the Niagara region had the right to vote on regional government rather than their elected councils, it would be overwhelmingly tossed out. Since the government which wrote this bill has advocated the philosophy of allowing the local elected people to make decisions, we're taking the people at the very grassroots level and allowing them to make a decision.

Mr. Epp: Democracy.

Mr. Isaacs: I certainly don't want to get into a debate on whether this is in order or not in order, except to say it seems to me—

Mr. Chairman: That was the point of order.

Mr. Isaacs: I realize that, Mr. Chairman—except to say it seems to me this section of the bill deals with a great deal in regional government—

Mr. Epp: Get your chicken.

Mr. Isaacs: —is dealing with items of historical interest.

Mr. Mancini: Where is your chicken?

Mr. Isaacs: That is something that certainly relates to regional government. It deals with—

Mr. Epp: Nothing to do with the principle.

Mr. Isaacs: —a number of matters which are fundamental to the structure and operation of the region.

Mr. Bradley: So you are supporting it. Hear, hear.

Mr. Isaacs: It seems to me there is no problem in considering an amendment of this kind, though it is incredible to me how the Liberal Party has flip-flopped again on its previous position with regard to regional government in Niagara.

Interjections.

Mr. Isaacs: The Liberals supported it.

Interjections.

Mr. Chairman: Order. On the point of order?

Mr. Epp: With all due respect, I think the member for Wentworth worries too much. He is making a series of somersaults.

Mr. Mancini: He should go back to plucking chickens.

Mr. Epp: I think he should get a medical practitioner because he must be hurting his back.

Mr. Chairman: Order. I don't think that has anything to do with the point of order.

I have looked carefully at the amendment placed by the member of St. Catharines and looking at the amendment in section 31(2) and particularly 7b, I would have to say the amendment is not relevant to the purpose of the addition and therefore would have to rule it out of order.

Mr. Mancini: You wouldn't want to reconsider that, would you?

Section 31 agreed to.

Sections 32 to 86, inclusive, agreed to.

On section 87:

Mr. Chairman: Mr. Rotenberg moves that section 87 of the bill be struck out and the following substituted therefor: "87. Section 117 of the said act as amended by the statutes of Ontario, 1973, chapter 161, section 7, and 1976, chapter 43, section 70, is further amended by adding thereto the following subsection:

"2a Notwithstanding subsection 2, the council of an area municipality may with the approval of the regional council exercise the powers of the council of a municipality under section 395 of the Municipal Act."

Mr. Rotenberg: Mr. Chairman, I apologize to the House for bringing this amendment. As I indicated at the second reading of this bill, this was an error and even the best of governments from time to time do make an error in drafting.

The section now in effect gives the area municipality of the region of Peel the power both to promote industry and to acquire land for industrial purposes. So you have two separate sections of the act. It was and is the request of the regional municipality of Peel to allow their area municipalities to do industrial promotion. It was not their request to allow the area municipalities to acquire and deal in industrial land.

With apologies to the House, the way it was drafted in section 87 in the printed bill gave them both powers. When we requested the drafting it was the intention of the regional municipality of Peel to have industrial promotion only. That is why I am bringing this amendment before you, to give the area council within the regional municipality of Peel the right to do industrial promotion but not acquire land.

Mr. Foulds: On a point of order, Mr. Chairman, if I might—I will be guided by you. Is the amendment in order?

The section we have before us in the bill, which is the only section we have to go on, is completely removed. I understand a motion to delete would be in order. But we have here a substitution that gives an entirely different power and therefore adds something different to the bill and makes references to different sections of the original act.

I would really like you to look at the proposed substitution to check to see whether it's in order. I don't have a copy of the actual amendment in front of me and that's why I ask for it to be written. Certainly, from what I have heard and what I see before me in the act the amendment is out of order. It doesn't pertain to what is in the section 87 of the actual bill. It substitutes a different power.

Mr. Rotenberg: Can I speak to the point of order? Mr. Chairman, at the bottom of page 23 section 87 now deals with two sections of the present Municipal Act; subsection 1 of section 354 and section 395. Those are the two sections that are dealt with in section 87 as in the printed bill. The amendment I am bringing forward deals only with section 395, which is mentioned in the bill.

What I am in effect doing, by having to redraft it because of legal problems, is deleting all reference to subsection 1 of section 354 and leaving in section 395. So, section 395 is referred to in your printed bill. The amendment I am bringing forward also refers to the application of section 395.

Mr. Foulds: Except that in terms of procedure—if I might, Mr. Chairman—the

operative section is the beginning section of your clause. What you do in the original bill, as I read it, is refer to section 117(2); what you are doing here is adding to the subsection.

Mr. Rotenberg: As drafted in the bill, it is referring to section 117(2) and redrafting it. "Section 117(2) of the act is repealed and the following substituted therefor." In effect, what the printed bill is doing is changing section 117 of the act.

What I am proposing here is section 117 of the act be amended by adding a section 2a; rather than putting in a new section 2 we are adding 2a, still dealing with section 117 of the Municipal Act. Therefore I would submit it is in order.

Mr. Warner: It seems to me what my colleague from Port Arthur has raised is perfectly valid. The amendment, as proposed, is contrary to the intent of the section that is set out in he bill—

Mr. Rotenberg: No, it's not.

Mr. Warner: —in which case the normal procedure is simply to vote against the section. If that is what the member for Wilson Heights wishes to do, fine. He is perfectly free to do that.

You may require a bit of time to take a look at this one. If it would expedite matters perhaps we could move on to another section while you are taking a look at it. But I would submit the amendment as placed by the member for Wilson Heights is out of order.

Mr. Rotenberg: If I may speak to the point made by the member for Scarborough-Ellesmere, he said my amendment is contrary to what is in the printed bill. I would submit that is not correct. The printed bill in effect deals with two matters. I am saying the amendment is to reaffirm one matter that is in the printed bill and to delete the other matter. But I couldn't write that simple amendment because it is tied up in some form of legalese. You have to do it in a different way in order to accomplish it in one section rather than accomplish it in two sections. But basically, it is rewriting section 117 to bring in sections 354 and 395 of the act. I am suggesting just bring in 395 of the act.

Mr. Epp: I am not convinced by the argument of the member for Wilson Heights that deleting that section—I am not either speaking in favour of the motion at this point or opposed to the motion; I am speaking on the point of order. It seems to me it would have made eminently good sense to bring in an amendment to delete that section if that is what he wanted to accomplish. That is what we do in all other instances. I don't know why you have to give us all this other gobbledegook and confuse the issue by bringing in a complete new amendment.

Common sense would dictate that if you want to delete section 354, then that is what you ask to delete. Why do you have to add all these other words? That's ridiculous.

Mr. Rotenberg: The matter I think is in order when the subject matter is before the House. I somewhat share the point made by the member for Waterloo North about all these extra words, but when you are dealing in principle you can just do it simply; when you are dealing in law you have to do it, unfortunately, in accordance with how the lawyers want to draft it. The way it is drafted in the bill applied to two sections; you are doing it with one section only. This is better-drafted legislation.

When we draft amendments we all consult with legislative counsel as to the best method to implement something. It was not my suggestion to redraft it in this way. It was legislative counsel who came up with this suggestion.

Mr. Foulds: What a cop-out. You are responsible. Take the heat of the House.

Mr. Rotenberg: I take full responsibility, of course.

Interjections.

Mr. Rotenberg: Mr. Speaker, can you ask him to be quiet?

Mr. Chairman: Order.

[9:15]

Mr. Epp: Mr. Chairman, I think it should not be accepted that the member for Wilson Heights blames the staff for things that are in here. He should be prepared to accept the responsibility as the parliamentary assistant. if he's not prepared to do that—

Interjections.

Mr. Bradley: He should resign.

Mr. Epp: —he should resign or he should apologize in the House to the staff.

Mr. Warner: He should resign.

Mr. Foulds: If he can't take the heat let him get out of the kitchen.

Interjections.

Mr. Chairman: Order, order.

Mr. Rotenberg: I'm sorry I can't acquiesce to either request. Look, I take full responsibility for what is here.

Mr. Grande: You're apologizing.

Mr. Foulds: As close as he can come to doing that.

Interjections.

Mr. Chairman: Order.

Mr. Rotenberg: This all came up because for some convoluted reason the members opposite raised a point of order on this matter. If they don't like it then they can vote against it.

Mr. Warner: You're convoluted.

Mr. Rotenberg: Mr. Chairman, with respect I indicated right away that there was a mistake made in drafting and I take the responsibility for it from the minister. You have to take responsibility for it.

Mr. Haggerty: Is this the point of order?

Mr. Rotenberg: We put something in this that wasn't intended. We asked our draftsmen to redraft the section dealing with the same subject matter, put into a form to deal with what was the request of the Peel regional council.

Mr. Warner: However, that's wrong.

Mr. Rotenberg: The draftsmen—I take responsibility for them because they work for the government—have come up with a different form, because when you're doing one thing you need a different form than if there were two things.

Mr. Warner: I'm sorry, but—

Mr. Rotenberg: Our changing philosophically is instead of giving the power to do things, we're given the power to do one of the two things. That is a simple matter.

Mr. Chairman, with respect, if the members of the opposition do not want to accede to the request of the region of Peel to give this power, that's up to them. But I submit, at least, that the matter is in order, and we should put it before the House.

Mr. Foulds: On a point of order, I think it is encumbent upon members of the Legislature to abide by the ruling of the chairman in this matter. However, I do take some exception to the remarks of the member for Wilson Heights.

I think it is the responsibility of members of this House to bring to the attention of the chairman or Speaker matters they perceive as being out of order, because it is important that the rules and procedures of the House be followed and that any legislation passed as a result of actions of this House goes through the proper procedures. It is for those reasons only that I raise the matter of the point of order. I would not want a piece of legislation to go through this House, if you like, illegally. It is for those reasons that I believe any member of this House should raise what he considers to be a legitimate point of order.

Mr. Chairman: I appreciate the point of order raised and of course the comments made by a number of members of the committee. I do understand that the amendment placed by the parliamentary assistant actually modifies a concept, therefore it would appear to me that it would be reasonable, if agreeable with the committee.

Mr. Sterling: Hear, hear.

Mr. Warner: To do what?

Mr. Chairman: To put the amendment.

Mr. Warner: You're ruling that the amendment is in order.

Mr. Chairman: Yes.

Mr. Warner: Could I inquire, humbly, as to what would the basis?

Mr. Rotenberg: You can do whatever you like, humbly.

Mr. Chairman: I beg your pardon.

Mr. Warner: What would be the basis for the ruling that it's in order?

Mr. Rotenberg: Why don't you listen?

Mr. Chairman: Order.

Mr. Warner: You're ruling that it's not contrary to the intent of the section?

Mr. Chairman: From what I understood, the parliamentary assistant stated there was a change in drafting after the bill had been completed that modified the content when referring to sections 354 and 395. In other words, deleting section 354.

Mr. Foulds: In effect, Mr. Chairman, that's what gave rise to my original question: that in the amendment we have before us we have no references to section 354 and 395 in the Municipal Act.

Mr. Rotenberg: Mr. Chairman, a point of order—

Mr. Chairman: Order, order. On the present bill you're stating?

Interjections.

Mr. Chairman: Order. I see the amendment before us on section 395. Is there any debate on the amendment?

Mr. Isaacs: I wish to speak on the amendment. We have been through this before, but I want to try to press the parliamentary assistant for a little further explanation than simply that the region of Peel has asked for it. We have had these discussion before about, "Do regions get everything they ask for?" The minister assured me last time they didn't, if what they wanted was regarded as something major.

It seems to me when regional government was set up it was put in place in the hope it would lead to some co-ordination of activi-

ties between adjacent municipalities. In the area of promoting industrial development and land and sites and facilities available for industrial development, it seems to me we have been generally doing very well by limiting activities to regional council, rather than having the lower-tier municipalities getting involved right across the province—

Mr. Bradley: Once again he is in favour of freedom.

Mr. Isaacs: —simply because the amount of money and time put into that kind of thing is money that is really not well spent for the taxpayers of Ontario.

Hon. Mr. Gregory: We're talking about the municipalities having the—

Mr. Isaacs: The kind of competition we get between municipalities for the very limited amount of growth being attracted to this province is, because of the policies of that government, really not serving the taxpayers very well. We cannot support allowing municipalities to spend even more time and energy—

Mr. Pope: Go back to chickens.

Hon. Mr. Gregory: You know more about chickens than you do about—

Mr. Isaacs: —fighting with each other, as this amendment is proposing, rather than getting down and dealing with the fundamental concerns that the citizens of the entire province have. I really just can't buy that you do this kind of thing because a regional council asks for it.

Hon. Miss Stephenson: You really are a Yankee chicken, aren't you?

Mr. Isaacs: If we are going to do this, we may as well give regional councils that ask for one tier—

Interjections.

Mr. Chairman: Order. The member for Wentworth has the floor.

Mr. Isaacs: Thank you, Mr. Chairman. If we proceed with this kind of thing, we may as well give one tier to regional councils that want one tier, simply because they ask for it.

Mr. Bradley: One-tier government is good government.

Mr. Isaacs: We may as well give municipalities that want the right to opt out the right to opt out, simply because they ask for it.

Where do we draw the line? Where do we say municipal government has to operate in a rational, co-ordinated fashion? And where do we say that municipal government can waste the taxpayers' money fighting with itself for limited growth and for the other resources that are available in the province?

This kind of thing just isn't helping the taxpayers of the province and we can't support it, Mr. Chairman.

Mr. Bradley: Bill's on his way back; he heard this.

Mr. Rotenberg: The member for Wentworth started out by saying the minister said municipalities can't have what they want. Of course, that is correct in many cases, but in some cases it is not correct.

I think the philosophy of this government has been that where municipalities ask for matters which are reasonable and not contrary to government policy, we try to respect local autonomy to grant reasonable requests to municipalities, be they area municipalities or municipalities not in regional government.

In this particular situation Mr. Chairman, dealing with the promotion of industrial development, the regions are just about split in half. In the present regions of Peel, Halton, Hamilton, Durham, Haldimand, Norfolk and Sudbury, industrial promotion is all in the hands of the regional council.

Mr. Germa: That's where it should be.

Mr. Rotenberg: In the regions of Waterloo, Niagara, York, Ottawa, Muskoka, Oxford and Metro, the development is in the hands of the local councils. Local councils can do it; this is done, Mr. Chairman, at local request and local option.

We had quite a lecture earlier this evening about all regions being the same; that they shouldn't be, that there should be some local option and that regional bills should be tailored to fit the requirements of each individual municipality. When you get into that sort of thing, surely the local councils have some input and should have some input into how their region is dealt with and what matters should be at local option.

We in this government feel this is one of those matters. Whether or not industrial promotion is carried out by the region or by the area municipality—

Mr. Haggerty: Everyone but Niagara.

Mr. Rotenberg: —or both is a question on which we will listen to the local municipality. In this case we have the request, we feel it is reasonable and not contrary to government policy and that is why we have the amendment.

Mr. Chairman: All those in favour of Mr. Rotenberg's amendment to section 87 will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Sections 88 to 140, inclusive, agreed to.

[9:30]

The committee divided on Mr. Rotenberg's amendment to section 87, which was negatived on the following vote:

Ayes 26; nays 29.

Mr. Rotenberg: As the mover of the bill, would it be in order now to withdraw the clause as the amendment didn't carry?

Mr. Chairman: I'd say it's not possible to withdraw the clause because the amendment has been placed, so any member of course has the right to vote for or against the section.

Shall section 87 stand as part of the bill?

All those in favour please say "aye."

All those opposed please say "nay."

In my opinion the nays have it.

Section 87 deleted.

Mr. Chairman: Shall the bill, as amended, be reported?

Mr. Epp: I don't understand it. I understood if we had the same vote—the government was voting against the two opposition parties, obviously—if we had the same vote it should be 22 to 22.

Mr. Chairman: The vote has been taken.

Bill 152, as amended, reported.

On motion by Hon. Mr. Gregory, the committee of the whole House reported one bill with amendments.

Motion agreed to.

THIRD READING

The following bill was given third reading on motion:

Bill 152, An Act to amend certain Acts respecting Regional Municipalities.

BUDGET DEBATE

(continued)

Resumption of the adjourned debate on the amendment to the motion that this House approves in general the budgetary policy of the government.

Mr. Speaker: When this House rose at 1 p.m. on May 11, 1979, the member for Oriole had the floor. I will now recognize him again.

Mr. Williams: Mr. Speaker, I recognize this will be the highlight of this session. I realize my concluding remarks on my comments and address to the budget will be something that will be savoured for many weeks to come by the members opposite. I realize the member for Renfrew North (Mr. Conway) in particular had a very disquieting summer, not being able to hear the conclusion of my remarks. I am pleased he is able to be here this evening to enjoy the erudite and articulate remarks I am going to put before the assembly for consideration this evening.

I know all members of the Legislature do have clearly in mind the remarks I made in my opening speech on the budget back on May 11. But there may be one or two who are a little fuzzy on what I said at that time and I am going to recap very briefly some of the major considerations I presented to the House. This will refresh the members' memories and put into context the other matters I want to go on to and discuss in some detail this evening. I think it will provide a continuity that would otherwise be missing.

You may recall, Mr. Speaker, one of the major concerns I expressed at the time on May 11, not a very auspicious occasion—

[9:45]

Mr. Speaker: I recall when the honourable member spoke last he had just finished reading a press release.

Mr. Williams: Mr. Speaker, you have an excellent memory. I commend you; very good. I'll be coming back to that press release very shortly.

At that time I was simply pointing out to the members how this budget was one that realistically addressed itself to the current economic conditions within the province and the perspective being put on government policy through budgetary control and restraint was one that really conformed with what was very much needed at this time. It was one of cautious optimism, which I think had to be displayed by this government to encourage the private sector, in turn, to continue to show confidence in Ontario and to encourage the private sector to move forward in developing our provincial resources.

It may be recalled I cautioned all members of the House, the opposition members in particular of course, that perhaps too much emphasis and too much public criticism was being directed towards the private sector in the sense of completely rejecting the concept of foreign interest and foreign investment in this country and in this province in particular. I pointed out that some extreme comments were being made which I felt, when monitored by the responsible business sector abroad would discourage otherwise legitimate interest in investment in this province.

Mr. Roy: We're here with you, John; we're here with you.

Mr. Williams: That is one of the major considerations I had discussed with the members. Because of my expression of those concerns I think some of the more responsible members in the opposition, such as the member for Renfrew North, did reflect and display an obvious change of position in some of the things he was saying in the House or has said since that time. I recognize he, as an example, has responded to the request to use more moderation in chastizing foreign businesses and concerns as far their coming to this province is concerned. In fact, he has on occasion encouraged them to do so as long as it is recognized that responsible government mechanisms and controls are established and maintained to ensure those foreign investments are monitored and are made in what turns out to be the best public interests of the people of Ontario and Canada.

At the time the debate concluded, I had shifted my concerns to a matter that was not only most topical at that time but remains so today. It had to do with the whole matter of the energy component and the fact a great deal of debate within this Legislature and debate among the public at large has taken place with regard to the energy problems that were confronting not only this province but all of the people of Canada and, in fact, is a crisis that has taken on worldwide proportions.

It may be recalled that at that time in particular I was expressing real concerns about the heavy criticism being directed by the opposition members towards Ontario Hydro. I had felt that while Ontario Hydro has on more than one occasion been used as a political whipping boy and as long as the opposition members delight in using Hydro for that purpose, at least for the record we should clearly put into perspective the important and significant role Ontario Hydro does play in the affairs of our province.

In fact, Ontario Hydro is one of the agencies that has been the most accountable to government and to the people through government scrutiny and questioning, perhaps more than any other committee or agency of government. The reason I want to emphasize that point is because, as I was saying at the conclusion of my remarks at that time, the members opposite were suggesting otherwise.

It brings me back to the news release you alluded to, Mr. Speaker, and the remarks that were made immediately prior to that news release, which show a contradiction in thinking even among the members of the opposition and which I think emphasize the fact that many of the criticisms have been distortions, if not contrary to facts.

Mr. Philip: Libellous and slanderous.

Mr. Williams: If I might, I will go back to the two comments I cited at that time to demonstrate the point I was making.

Mr. Philip: Only because of parliamentary immunity can you get away with such things.

Mr. Williams: Firstly, Mr. Speaker, I draw your attention to the comment made in the Legislature on May 1 by the leader of the third party. At that time, during the question period, he was questioning the then Minister of Energy about nuclear plant safety, but in raising such a question he was speaking in broader terms.

Mr. Foulds: What was the date of that?

Mr. Williams: If I might quote, the leader of the third party at that time said, "How can the minister expect the public to make informed judgements about nuclear energy, a very serious problem now in the province of Ontario, when Hydro has been so reticent about providing the public with both accurate and full information related to nuclear safety?" Then he went on to ask, "In the spirit of freedom of information, will the Minister of Energy direct Ontario Hydro to make a full revelation of all material related to nuclear-plant safety in the province of Ontario without constantly having the information dragged out of them?"

Mr. Foulds: A good statement. Absolutely accurate.

Mr. Williams: Of course, the direct and obvious implication is that Ontario Hydro somehow is being reticent and reluctant to make available to the members of this Legislature, either through a select committee or otherwise, the information that's within their terms of reference and that comes under their area of responsibility.

Mr. Foulds: It certainly was before that day.

Mr. Williams: It's interesting to note that within two days of that comment a member of the third party had cause to rise in the House and make a statement.

Mr. Foulds: What was the date of that?

Mr. Williams: I am sorry. He did not rise in the House. He issued a press release. The chairman of the select committee on Ontario Hydro affairs issued a press release on May 3 to make abundantly clear the relationship between Ontario Hydro and the

select committee as far as it concerned Ontario Hydro and its officials appearing before the committee to answer all matters being raised by the committee at that time. During the question period and debate in the House, there had been confusion as to whether in fact Ontario Hydro was being reluctant to disclose all documentation and to be prepared to discuss fully all aspects of the operations of Ontario Hydro with regard to nuclear power.

The chairman of the committee felt compelled to make it abundantly clear that, in fact, the utmost co-operation was being provided by Ontario Hydro. Rather than reading the whole press release into the record again, I'll simply read the last paragraph of his news release of May 3, which really put that relationship into proper perspective.

At that time, the chairman simply stated: "For those who still harbour a suspicion that the committee"—meaning, of course, the select committee on Hydro affairs—"will not get all relevant documents, may I remind you that in all the committee hearings so far Hydro has provided the committee with every document and all information which we have sought. I am confident that that full disclosure will continue in the future and, as chairman of the committee, it will be my intention and obligation to see that it is so."

That is the concluding quote.

Mr. Speaker: I must remind the honourable member that that's repetitious.

Mr. Williams: Yes, it is, Mr. Speaker. By repeating that quote again, it is repetitive of what I quoted on May 11, but I think it is of such importance and so germane to the point I am developing here that it bears repetition.

Mr. Roy: It's against the rules to repeat too much; you know that.

Mr. Williams: It was obvious that some members of one party didn't know what the other members were doing and didn't have an appreciation or understanding of the co-operation that was being—

Mr. Foulds: On a point of order: I believe the member is misinterpreting to the House the statement of the chairman of the select committee on Hydro affairs in the interpretation he is now putting on the last paragraph of that press release by the chairman. The clear intention of the chairman in issuing that press release was, if you like, a notice to Hydro that the select committee would use all of its power, including the power that it derives fom you, Mr. Speaker, in order to get the information necessary from Ontario Hydro.

Mr. Williams: I don't understand the point of order, Mr. Speaker.

Mr. Foulds: You are misrepresenting the remarks of the chairman of the select committee.

Mr. Williams: With respect, how one can misrepresent what a member is saying when he is being quoted directly from the written words he issued to the press is hard to comprehend.

The point I really want to make this evening, having laid that groundwork, is to discredit completely any suggestion that somehow Ontario Hydro is a body that has not made itself accountable to the public of Ontario, and that it was being dragged screaming and kicking before committees of this Legislature and before other bodies to make disclosures that were getting it into some difficulty. It is just not so.

Mr. Foulds: It certainly was. It is a good thing you weren't on the steering committee.

Mr. Williams: I am making these references in order to put the matter into clearer perspective, and to show without a shadow of a doubt that Ontario Hydro is probably one of the most heavily scrutinized public bodies; I think that can be clearly established by reference to the various bodies and committees it has had to be accountable to over the years. If I might, I would simply like to draw to the attention of the members of the Legislature just how many of these agencies and committees Hydro has had to be accountable to.

[10:00]

I would like to set out clearly on the record the number of man-hours, the amount of time that has been involved, and indeed the very costs of all of these hearings, to clearly show that Ontario Hydro is continually under public scrutiny. The select committee on Ontario Hydro is so called because it's select, but in fact it has become a standing committee of this Legislature because I don't see any termination date for it in the foreseeable future. It may be appropriate that it should become a standing committee because Ontario Hydro is having to account on a continuing basis to some public forum.

Among the boards and committees Ontario Hydro is continually accounting to I would first remind the members of the Legislature that we have the Ontario Energy Board. Ontario Hydro has to present its power rate proposals to the board annually for its consideration. This of course requires a great deal of input by its staff in preparation of all

the material that will permit the board to make an informed assessment of the power rates being sought.

In conjunction with those obligations, Hydro has been involved since 1977 with the costing and pricing of electricity, as we all know. That in itself has involved a great deal of time and effort by Hydro officials in preparing the necessary material. They have to come up with a power and costing system, that will be considered in due course by this Legislature and hopefully will bring about a costing-and-pricing system improved over what we have today.

All this takes time; all of it takes effort; all of it involves time and money; it involves human resources and financial resources. So we're fully aware, although at times we lose sight of the fact that this is just one of the boards Ontario Hydro has to account to on an ongoing annual basis.

If there is any suggestion that does not involve a considerable amount of time and effort on behalf of Ontario Hydro, I would point out some interesting statistics that I think make the point better than anything one could say.

If we look at the Ontario Energy Board hearings that have been conducted since 1974, over the past five-year period, it's interesting to note that up to June 1 of this year there have been 345 days of hearings before the Ontario Energy Board. This is approaching very close to a full year of man-hours of presenting material to the Ontario Energy Board. Out of those hearings a tremendous volume of evidence has emerged. In fact, 349 transcripts of evidence were taken in those hearings, with over 280 witnesses appearing. That in itself makes the point that's only the tip of the iceberg as far as the involvement of Ontario Hydro in accountability to the public is concerned.

Let's move on from there—from the annual reporting to the board to the fact the Royal Commission on Electric Power Planning was set up in 1975. It was established for the specific purpose of having a public inquiry into the long-range planning concepts for electricity supplies in Ontario. We are all fully aware that under the the capable chairmanship of Dr. Arthur Porter some very significant and substantial information has emerged from those hearings. But I can assure members, if we think the hearings before the Ontario Energy Board could be considered onerous as far as time and cost commitments were concerned, they are no less so with regard to the appearances Ontario Hydro representatives were obliged to make before the Royal Commission on Electric Power Planning.

I would simply refer, again, to statistics that bear out this point.

Mr. Conway: We want more.

Mr. Williams: Since the royal commission started its hearings in 1976, through to May of this year—that is three years of hearings—it is interesting to note there have been 208 days of hearings before the royal commission, which represent a very substantial amount of time and commitment by the technical people, the experts at Ontario Hydro who had to be there to give account. While the number of witnesses who appeared before the Ontario Energy Board seemed significant when I mentioned 285 witnesses, the witnesses who have appeared before the royal commission number 872, of which 107 were Hydro employees who have had to testify to state the position of Ontario Hydro on any given matter related to the terms of the inquiry.

Referring to man-hours and the amount of evidence given in these hearings because of the number of witnesses who appeared before those two bodies, I think it would be of interest to members to relate some cost factors to those two undertakings. I think members will agree it is interesting to note that the hearings before the Ontario Energy Board, over the five-year period to which I alluded, represent expenditures in excess of $5 million. The expenditures arising out of the hearings before the royal commission have amounted to in excess of $2.5 million.

In addition to Hydro having its key personnel involved in accounting to these two bodies, we move on to the select committee which has commanded the greatest amount of the time of Hydro officials in recent times. As we know, the select committee on Ontario Hydro affairs has, since 1975 really, been dealing with the representatives of Ontario Hydro and inquiring into all aspect of Hydro.

This brings me back to the point that the select committee should be more appropriately designed as a standing committee of the Legislature. We're well aware of the fact that the committee has been delving into all aspects of energy, not only power rates at its inception but most recently with regard to nuclear power, inquiries into the cost of constructing the Bruce heavy water plants and the examination of the whole of Ontario's nuclear commitment.

It's interesting to note that there has been a considerable amount of input made in terms of man-hours and financial cost. I think it's important, again, to put on the record just

how much time has been expended with regard to the select committee hearings. The number of hearing days in which Hydro has been involved with the select committee exceeds those of the royal commission.

Mr. Foulds: Have you lost something?

Mr. Williams: Yes, I have. I'm incorrect there. They have not exceeded the number of hearing days of the royal commission, but they are fast approaching the number of hearing days of 208 for the royal commission. With regard to the select committee, we're now up to 170 hearing days.

Mr. Foulds: But not all of them with Hydro.

Mr. Williams: There were 170 hearing days before the select committee.

Mr. Foulds: With Hydro people appearing before the committee?

Mr. Williams: No; there have been 170 hearing days in the select committee and there has been a total of 352 witnesses before the committee. A great number of those days have involved Hydro personnel. In fact, 97 members of the Hydro staff, on more than one occasion in many instances, have had to appear before the committee.

I think even the member for Port Arthur will reluctantly acknowledge that they have indeed proved to be very formidable witnesses.

Mr. Foulds: Not reluctantly but enthusiastically. They are very competent people and certainly a lot more competent than the present speaker. They have been able to defend themselves much better than he has.

Mr. Williams: They were witnesses who have been very creditable in presenting the position of Hydro. They have been able to present the position of Hydro. I felt throughout the hearings they have never had to defend their position, they have simply had to make their position known and at no time have they been reluctant to do so.

In fact, I commended one of the key witnesses for Hydro recently on the fact that at no time had I ever seen him try to evade intentionally any question put to him, no matter—

Mr. Foulds: Not like the present speaker.

Mr. Williams: —how difficult the question might be or no matter how complex the question might be.

Mr. Foulds: Or how simple.

Mr. Williams: The forthrightness and direct manner in which Hydro officials have testified throughout the hearings have been exemplary. The way Hydro witnesses have performed before the committee demonstrates very clearly there has been no reluctance or hesitation by Hydro officials, or by Hydro as an agency, to let the people of Ontario know exactly what the administrative structure, make up and policy of Ontario Hydro is through its accounting to these various boards and agencies and to the members of this Legislature.

Mr. Foulds: How many man-hours has Hydro put in before the select committee?

Mr. Williams: I can only give you the number of days, you can determine from that—

Mr. Foulds: You haven't given us the number of days.

[10:15]

Mr. Williams: There have been 97 witnesses from Hydro, and in addition to that many Hydro staff who were there every day even though they may not have been testifying, which is a point the member overlooked.

Mr. Foulds: What was the problem with that?

Mr. Williams: It's not a problem.

Mr. Foulds: It's like the minister having the officials back in the room for estimates because he hasn't the guts to defend his ministry himself.

Mr. Williams: I'm simply putting the matter into clear perspective because of the heavy criticism that has been unfairly, and in a distorted fashion, levelled at Hydro. I think it's important that we get on the record—

Mr. Foulds: You're certainly not doing a very good job of it.

Mr. Williams: —exactly how fully accountable they have been to this Legislature and to the public of Ontario.

Mr. Foulds: I'm glad I'm not Hydro. I wouldn't ask you to defend me.

Hon. Mr. Walker: You guys have been harassing Hydro for so long.

Mr. Williams: Mr. Speaker, those are certainly two major bodies Ontario Hydro has accounted to in a manner that, as I say, has made the members of this Legislature and the public at large more fully aware and appreciative of the significant role Hydro plays in the economy of this province.

People have always assumed that wherever you go you will find a utility that has the scope and depth of personnel, management and policy Ontario Hydro does. Yet once we start going abroad—and when I say abroad you only have to visit some of our neighbouring states—we find the comparison is con-

siderable between the facility we have in place in this province contrasted to some or neighbouring states or even provinces.

Mr. Foulds: Especially neighbouring states.

Mr. Williams: Of course, a lot of the difference is reflected in many cases in the end cost to the consumer in this province, which is I suppose the bottom line—

Mr. Foulds: It shows the benefits of crown corporations.

Mr. Williams: —all of us must be concerned with and which clearly demonstrates whether or not we have an efficient utility within this province.

There are very few people, I think, who prior to these hearings understood and appreciated the fact that outside of the Tennessee Valley Authority in the United States Ontario Hydro is the largest utility on the continent and perhaps outside of the TVA undoubtedly ranks within the first four or five utilities anywhere in the world.

Mr. Foulds: Most of us knew that.

Mr. Williams: It's unfortunate, Mr. Speaker, that those who criticize something don't recognize the importance and the stature Ontario Hydro takes on in international eyes. In fact we should be very proud in this province to have this utility, to put on display if you will to other nations, states and provinces that send their representatives here to study our system and to see how they can develop utilities that will produce even half as well as Ontario Hydro.

I will carry on with some of these responsibilities Ontario Hydro has to the public of Ontario through its requirements to appear before boards and commissions.

There is, of course, the Environmental Assessment Board, which is taking on an increasingly important role in dealing with all aspects of the provision of energy, whether it's through Ontario Hydro, through the oil pipeline companies, the gas companies or whatever. Environmental considerations have taken on an importance heretofore unheard of. Because of this, the setting up of a formal board under the Environmental Assessment Act, of course, makes Ontario Hydro accountable when it is embarking upon any major undertaking to ensure the environmental considerations are to the satisfaction of another level of government.

Mr. Conway: You've got to look more interested, being the only Tory in the House.

Mr. Pope: How could I be more interested than I am?

Mr. Williams: The fact is that Ontario Hydro has to account whenever it is considering the sale of energy abroad. It has to deal with the National Energy Board. Hearings can be extensive and detailed in that forum as well.

Another area in which Ontario Hydro has been involved in recent months and years has been with regard to the commission of inquiry on aluminum wiring, where staff were having to set aside their regular work and delve into this matter in depth and to appear before the commission to testify.

The royal commission on the northern environment is another area in which Ontario Hydro has found itself involved following that.

Mr. Foulds: Where'd you get the figures?

Mr. Williams: With regard to the northern environment, I have, if you'll bear with me for a moment—

Mr. Conway: We have for two hours.

Mr. Williams: I want to satisfy the member for Port Arthur, I wouldn't want him to go away without the key statistics.

I'm sorry, I don't have the number of hours with regard to the Royal Commission on Northern Environment. However, with regard to aluminum wiring, 32 days of hearings were involved. During those hearings 33 transcripts were prepared and 79 witnesses appeared, 10 of whom were Ontario Hydro officials. That doesn't take into account the personnel and staff who were there monitoring the hearings and not being called as witnesses before the commission.

Mr. Roy: And the conclusion is what?

Mr. Williams: These are some of the heavy responsibilities that Hydro has, not reluctantly but willingly involved itself in by making itself accountable to the people of Ontario. I think it's important that these statistics be brought forward. I rerognize that statistics can be dry—

Mr. Foulds: I can see it tomorrow, headlines in the Sun.

Mr. Williams: What are the headlines going to be tomorrow in the Sun?

Mr. Roy: What are the headlines? He wants to know.

Mr. Foulds: "Williams trots out statistics on Hydro's attendance before boards and commissions."

Mr. Williams: Right on, thank you. Let me summarize the cost factors.

Mr. Foulds: Give us the details, never mind the summary.

Mr. Williams: I've given you the number of hearing-days on all of these appearances before the various boards and commissions.

Let's look at the end cost factor as of this fall.

The costs to date to Ontario Hydro, since 1974, in appearing either before the Ontario Energy Board, the Royal Commission on Electric Power Planning, the select committee, the environmental assessment hearings and the National Energy Board, has totalled $10.5 million as of the end of 1978. Since 1978, in this year alone, 10 per cent of that again has been reflected in the cost of all the hearings. In other words, another more than $1 million has been expended on hearings up to June 30 of this year—I said October but it's June 30.

Further costs have been incurred, which I have not got before me at the moment, which relate to the appearances before yet another committee when they held their special hearings on the Babcock and Wilcox matter.

Mr. Foulds: Is that the figure for just Hydro's costs?

Mr. Williams: These are Hydro's costs, yes.

I have been neglectful because I overlooked one or two other areas in which Hydro has been heavily involved in the past, in fact in excess of five years. That of course relates to the inquiries with regard to the development and building of our transmission lines through the Solandt commission.

Mr. Foulds: How did Hydro arrive at them?

Mr. Williams: How did they arrive at the figures? I am sure that can very easily be calculated simply by counting heads as to how many witnesses appear and how many days they have to be before the committees. I am sure by the number of man-hours and the cost they involve it is fairly easily determined. I hope the member is not questioning that the figures haven't been prepared accurately.

We have had Hydro involved, as well, in the Solandt commission hearings, which have yet to be ultimately resolved in relation to the building of additional transmission lines from the Bruce to the areas of Metropolitan Toronto and beyond where the energy will be needed. Further, of course, we have an advisory committee on energy which takes up the time of the members of the staff there.

Mr. Conway: We want a desk-thumping crescendo here.

Mr. Williams: I am just getting started, give me time. Task Force Hydro is another area of involvement of Ontario Hydro, albeit one that is basically at the initiative of Ontario Hydro, to review the function, structure and operations and financing of objectives of the organization.

You can see clearly it is not difficult to refute the allegations that have been unfairly levelled at Ontario Hydro as being a quasi-public body that has been reluctant to make known to the public of Ontario what it is about. These have been unfair comments and statements.

Mr. Foulds: You have tried to refute, but you haven't done so.

Mr. Williams: It is abundantly clear from the record—

Mr. Foulds: Not from your record.

Mr. Williams: —and from what I have put on the record this evening that Ontario Hydro is without doubt the most heavily scrutinized public agency of this government.

Mr. Haggerty: What's happened in the last three years, John?

Mr. Williams: I have no objection that they should be scrutinized, Mr. Speaker, and I am not suggesting in any way from what I have said this evening, or implying, that I am critical of the fact that they have been subject to scrutiny and investigation, if you want to use that term.

What I simply want to make clear is that they have at no time been reluctant to be subject to this scrutiny, but it has not been done without some sacrifice of man-hours and financial cost.

That is what I wanted to put on the record with regard to the energy issue as far as it relates to Ontario Hydro. We have, indeed, an extremely co-operative agency, a very capable agency. I think all of us have indeed been impressed; whether we have agreed or disagreed with testimony which has come before the select committee, we have all been impressed with the forthright manner in which they have at least presented that evidence to the committee.

By the time I speak to the budget again, which will be when it next continues, I may be able to comment on the findings of the select committee, which will have been made based largely on concise and full disclosure that has been made by Ontario Hydro with regard to the subject matter that has been before the committee this summer.

In view of the hour, it would appear that this would be an appropriate time to adjourn the debate and continue at another time.

On motion by Mr. Williams, the debate was adjourned.

The House adjourned at 10:30 p.m.

CONTENTS

Tuesday, October 23, 1979

Regional Municipalities Amendment Act, Bill 152, Mr. Wells, second reading 3775

Bill 152, reported and third reading 3778

Budget debate, continued: Mr. Williams 3791

Motion to adjourn debate, Mr. Williams, agreed to 3797

Adjournment 3797

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Bradley, J. (St. Catharines L)
Conway, S. (Renfrew North L)
Davison, M. N. (Hamilton Centre NDP)
Edighoffer, H.; Chairman (Perth L)
Epp, H. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Germa, M. C. (Sudbury NDP)
Grande, A. (Oakwood NDP)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Haggerty, R. (Erie L)
Isaacs, C. (Wentworth NDP)
Mancini, R. (Essex South L)
Philip, E. (Etobicoke NDP)
Pope, Hon. A.; Minister without Portfolio (Cochrane South PC)
Rotenberg D. (Wilson Heights PC)
Roy, A. J. (Ottawa East L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Sterling, N. W. (Carleton-Grenville PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Williams, J. (Oriole PC)



No. 91

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, October 25, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

THURSDAY, OCTOBER 25, 1979

The House met at 2 p.m.

Prayers.

ALGOMA CHILDREN'S AID SOCIETY

Mr. McClellan: Mr. Speaker, I rise on a point of privilege in order to correct the record.

On October 15, I asked the Minister of Community and Social Services (Mr. Norton) a question with respect to the enforcement of supervision orders of the family court during the duration of the strike at the Algoma Children's Aid Society. The minister replied on the same day that, through his staff, he was monitoring the situation daily. He replied further to my question the following day, October 16, when he said—and I am quoting from Hansard: "I have made further inquiries through my staff, and I am advised that those orders"—referring to the supervision orders—"are, to the best of our knowledge at the moment, being adequately supervised."

I simply wish to bring to your attention and to the attention of the House that yesterday, during the debate on the estimates of the ministry, the minister reported to us that of 75 supervision orders only 57 are in fact being supervised; and that there are 18 supervision orders which have not been adequately enforced since the beginning of that strike.

I simply wanted to bring that to the attention of the House, Mr. Speaker, in order to bring the record up to date.

Hon. Mr. Norton: Mr. Speaker, I am not sure the member for Bellwoods has yet correctly interpreted what I said. I did say, in response to his question at the time it was raised in the House, that we had been monitoring the situation and that it was my advice those orders were being supervised.

Yesterday, during the course of the debate on the estimates, I responded further to him on that subject, indicating there had been subsequent meetings between senior staff of my ministry in that region and representatives of the children's aid society, at which time there was concern on our part about the effectiveness of the supervision of some 18 of the 75 orders. In the period of time since that meeting, which is now over a week, those 18 orders have been acted upon and I indicated to him yesterday I was again awaiting a further report to reassure me that, in fact, all orders were being appropriately supervised.

VISITORS

Mr. Speaker: I would like to call to the attention of honourable members the presence in our gallery of two young people from the province of Ontario who have gained recognition in the sporting field.

The first one is Ms. Sheila DeZeeuw of Stoney Creek; she is 14 years old. She won a gold medal in the 200 metre breast stroke competition in the Federation Internationale de Natation Amateur world cup championships held in Tokyo, Japan, on September 1, 1979. In winning this gold medal Sheila broke a few records; namely, the Commonwealth record, the Canadian senior record, the national 13- to 14-year-old age group record, as well as the provincial record.

The other young person is Gary Ross Bratty, also of Stoney Creek, who is 23 years of age. Gary won a bronze medal for Canada in weightlifting in the 1979 Pan Am Games in San Juan, Puerto Rico, on July 6, 1979. Would you welcome him also?

[Later (2:23):]

Mr. Speaker: I would like to draw the attention of the House to yet another distinguished guest and parliamentary colleague in the gallery, the Honourable Ronald Russell, Speaker of the Legislative Assembly of Nova Scotia. Would you welcome him, please?

Mr. Foulds: I'll bet he doesn't have this lot to look after.

Mr. S. Smith: I wonder if it is as bad in Nova Scotia as it is here.

[Reverting (2:06):]

NUCLEAR PLANT SAFETY

Mr. S. Smith: I have a point of privilege, Mr. Speaker, on a matter which arose in committee. I realize such matters should be dealt with in committee but in this event the report has been completed and is now on the

order paper of this House for consideration imminently.

On July 4, 1979 a senior official of Ontario Hydro, Mr. P. G. Campbell, was asked by members of the resources development committee—the members for Huron-Middlesex (Mr. Riddell) and for Windsor-Sandwich (Mr. Bounsall)—whether any difficulties had been encountered with the boilers at Bruce A generating station. I quote:

"Mr. Riddell: Have you encountered any difficulties with the boilers at Bruce A?"

Mr. Campbell: Yes, we have had two or three or maybe four leaking tubes in the boilers but generally speaking they've working quite well."

The member for Windsor-Sandwich asked questions as well and was told: "We're very pleased with the way the boilers are functioning. As a matter of fact, we're very pleased with the whole plant and also the performance of the boilers is very good at Bruce A." All of that was on July 4.

In today's Globe and Mail there is an article which says that the boilers at Bruce A are creating problems such that a special task force is meeting almost daily to decide what to do; that the solution may well cost millions of dollars and that the thermal expansion problems in the drums of those boilers—not the tubes—were first detected when the Bruce unit was being commissioned.

I would have to ask the Speaker to consider, on behalf of the members of this House, whether seriously inaccurate information was given to the committee by a senior official. Perhaps he might wish to request that the minister look into the matter and possibly report to him for his own edification, and perhaps to us as well, as to how this apparent discrepancy has occurred.

I would ask the Speaker to look into the matter if he would be so inclined.

Mr. Speaker: The Leader of the Opposition was right in his initial assumption. I, as the Speaker, and this House have no control over what happens in a committee. If the committee, through its chairman, feels so disposed that they want to report something to this House, it's their right to do so, at which time it's up to the House to take whatever action it deems proper. But an exchange that has taken place in a committee falls strictly within the purview of that committee, and I am not inclined to take any action unless the committee, through its chairman, requests the House to undertake some kind of action.

STATEMENTS BY THE MINISTRY

CEMETERIES LEGISLATION

Hon. Mr. Drea: Mr. Speaker, later today I would like to introduce for first reading the Cemeteries Amendment Act, 1979. It includes several revisions which I believe reflect both the changing needs of the proprietors of this essential service and protect the best interests of the people of Ontario.

Prior to the close of the last session I promised that all interested parties would be given an opportunity to have their ideas considered while the act was still in the draft stage. To accomplish this, my ministry distributed approximately 3,500 copies of a discussion draft of the bill during the summer months to the owners of all operating cemeteries, the Ontario Association of Cemeteries, municipal councils, the heads of native groups, anthropologists, archeologists, trust companies, memorial societies, government ministries, interested federal departments and my colleagues in the House.

Those who responded were given careful consideration, and many of their ideas are incorporated in the bill to be introduced today. By emphasizing the responsibility of the municipalities for approving the establishment or enlargement of cemeteries, the act ensures there will be greater control over the planning process at the local level.

The act will relieve many cemeteries from the requirement to have the Surrogate Court audit cemetery trust accounts and place on my ministry the responsibility for reviewing these accounts. The only exception will be in cases where people with an interest in the cemetery accounts request an audit or violations of the act or regulations have occurred. This change should be a significant cost-saving to the smaller cemeteries.

Provision has also been made for dealing with the discovery of unmarked burial grounds. Regulations developed through consultations with all interested groups will govern the handling of these remains. The act also includes a provision which requires cemtery salesmen to be licensed. However, this section will be proclaimed only if there is evidence of undesirable practices.

DISABLED PERSONS REPORT

Hon. Mrs. Birch: Mr. Speaker, later today I'll be tabling the fourth annual report of the Ontario Advisory Council on the Physically Handicapped. I would like to compliment the members of the council for their industrious and dedicated efforts. Through their contributions, this council has proved excellent

recommendations and advice throughout the year.

Mr. Mancini: Is the Minister of Transportation and Communications (Mr. Snow) going to make money available for transportation for the handicapped?

Hon. Mrs. Birch: Ordinarily, Jack Longman, chairman of the advisory council, would be in the gallery on this occasion, but today he is in Cambridge participating in the council's fifth public forum, where a number of briefs are being presented on matters of concern to disabled people. Despite his absence, I would like to take this opportunity to salute Mr. Longman and the 20 members of the council for their work on behalf of disabled persons in Ontario.

Mr. Mancini: How much money is the Minister of Transportation and Communications making available for transportation for the handicapped?

ORAL QUESTIONS

PUBLIC OPINION POLLS

Mr. S. Smith: Mr. Speaker, I would like to ask a question of the Premier. Is it not a source of embarrassment to the Premier that after a mere five months in office the federal government of this country has been able to bring in a freedom-of-information bill, while his government under the leadership of the Premier continues to be the world's most secretive government?

Hon. Miss Stephenson: Why secretive?

Mr. S. Smith: I will tell the Minister of Education why. I defy the Minister of Education to name another government that assesses the opinion of its citizens at the expense of its citizens and then keeps the results of such polls secret from its citizens and from the opposition.

Interjections.

Mr. Hennessy: Smith for Pope.

Mr. Conway: The Honourable BS.

An hon. member: Go back to charm school, Bette.

Mr. Conway: It's exactly what I heard on the steps the other night.

Hon. Mr. Davis: I won't comment on the interjection, Mr. Speaker. I'd point out to the Leader of the Opposition that I didn't sense any singular embarrassment on his part with the lack of motivation of the previous administration in the nation's capital. He never seemed to urge that at the annual Liberal meetings or anything of that kind.

However, I won't make that observation. I would say to the Leader of the Opposition that I am quite encouraged that the government of Canada is moving ahead.

[2:15]

We have had some discussion in this House, bills have been introduced by the member for York South (Mr. MacDonald), if memory serves me correctly, and we have commissioned a report from the former president of that great university geographically situated not too far distant from the riding of the member for London North (Mr. Van Horne). In fact, I guess it is geographically in that riding. We are anxious to receive his report.

While it is hard to draw distinctions between responsibilities at different levels of government there are some aspects of the administration of affairs in this province that are not similar to that of the government of Canada. There is the question of health records, as an example, where the members opposite have made a point, I think with some legitimacy, that the question of privacy should be respected. I think one can draw many other examples where the responsibilities are not similar.

But not only is this government interested, we have taken the initiative. I expect to have Dr. Williams' report in the foreseeable future. In fact, I've written to him very recently asking him to move ahead as expeditiously as he can. I've also asked the new minister of the crown, the member for Cochrane South (Mr. Pope), to assume responsibilities in this area in terms of the government's reaction to it.

When we have Dr. Williams' report we'll be delighted to share it with the members opposite. I think one could be relatively confident the government will be acting on Dr. Williams' report when it is available. It perhaps might find its way into legislation even prior to the suggested dates of an early election as is contained in the new convention issue of Liberal Action where everybody is supposed to go to hear the member for Hamilton West lay out the platform which will be different from the last platform of the Liberal Party of Ontario.

Mr. S. Smith: I'm greatly encouraged by two things: that the privacy commission which was set up two and a half years ago and has been meeting since will report in the foreseeable future. I'm even more encouraged that the Premier is finally reading material which will improve his outlook on politics and on matters pertaining to Ontario.

I would ask him by way of supplementary —I can tell from your puzzled look, Mr.

Speaker, that you wondered if I'd get to that—

Mr. Foulds: Don't we all.

Mr. S. Smith: I would ask the Premier whether it's his intention to have his members stand to block a vote on the resolution standing in the name of the member for Rainy River (Mr. T. P. Reid) which will be debated later on this afternoon. Or will he permit a free vote on that resolution so we can have the public opinion polls in Ontario made known to the public and to the elected representatives of the public in this Legislature?

Hon. Mr. Davis: I confess, in that it was part of the supplementary question, which was really an observation, that I do read material from the Liberal Party with some degree of regularity. I do it just to find further inconsistencies in what is said in the publications and what is said here in the House.

Mr. Roy: We don't go begging for money like you.

Hon. Mr. Davis: I've got to warn the Leader of the Opposition though, the gentleman he would not publicly support has a much larger picture on the front page of the Liberal Action than he has. It's a very distinguished picture of the former Prime Minister.

I have made it very clear to the Leader of the Opposition, Mr. Speaker, that, unlike himself, I don't dictate to the private members of our party what they do in private members' hour.

Interjections.

Hon. Mr. Davis: I don't participate in private members' hour. As a matter of fact, when the subject will be debated this afternoon, I will be travelling to the area of Quinte, where I expect this evening to break bread with the member for Quinte (Mr. O'Neil) and all of the friends of Loyalist College. In fact, I would invite the opposition leader on behalf of the member for Quinte to join us on that very delightful occasion.

An hon. member: While your members are blocking the bill.

Hon. Mr. Davis: I do not tell our members how to vote during private members' hour. They make their determinations as individual members of the House.

Interjections.

Mr. O'Neil: Point of privilege.

Mr. Speaker: What could possibly be a point of privilege?

Mr. O'Neil: My point of privilege is that the reason I'm breaking bread with the Premier tonight is so I can keep an eye on him in my riding.

Hon. Mr. Davis: Speaking to the point of privilege, the reason I am going is not to keep an eye on him, it is to find an adequate replacement for him.

Mr. Lawlor: Mr. Speaker, I have a point of privilege too. There is too much jocularity in this House.

Mr. Roy: You'd better bring the cardinal along.

Mr. Speaker: Order. Let the two honourable members iron out their differences in Quinte, not here.

Mr. Makarchuk: And don't come back.

Mr. Lawlor: Isn't the Premier just a little ashamed—

Interjection.

Mr. Lawlor: Well, get ready to be ashamed. Isn't the Premier just a little ashamed for the procrastination and the use of the device of the royal commission to put off facing this issue and having the federal government pre-empt him?

Mr. T. P. Reid: To say nothing of the cost.

Mr. Lawlor: I trust the Premier does not intend to use that federal statute as a model statute, particularly in the field of suppression of information in provincial-federal relations in which there is an exemption clause. Has the Premier an approach to the matter?

Hon. Mr. Davis: The member for Lakeshore knows me well. I will have several approaches to the matter when the time comes, at least, I hope I have several approaches. I am interested that he doesn't feel the federal bill should be the model. That was the point I was trying to make to the Leader of the Opposition. I think our responsibilities at the provincial level are somewhat different and I am very confident in the capacity of Dr. Williams to come up with recommendations that in fact suit the particular circumstances of a provincial jurisdiction.

I would also add, Mr. Speaker, I just hope this enthusiastic endorsation of the new government of Canada continues into so many other fields they will be dealing with in the future.

Mr. T. P. Reid: Since the Premier won't be here, Mr. Speaker, I wonder if I could ask him if he has had time to review his policy on the matter of making the public opinion poll public and if in fact he can direct his memory, which is always excellent under

certain circumstances, to the poll that was taken by Goldfarb Consultants for $60,000 at the behest of the cabinet office, a survey on policy reactions and future needs and also the survey of current problems and issues?

Does he not feel we are entitled to a slight suspicion that these polls are being used for political purposes? He can dispel that skepticism by tabling them here in the Legislature.

Hon. Mr. Davis: I am sure the member for Rainy River knows me well enough that when I tell him categorically these polls are not used for party purposes, he will believe that statement. I confess to him, we do our own polls, as does his party. I happen to know how they do them. I even have some understanding of who does them.

Mr. T. P. Reid: Why the secrecy?

Hon. Mr. Davis: I also have some indication of just what the polls might show. But I assure him, the poll that was done for Cabinet Office was not of a partisan nature. It does not reflect itself in terms of our party activities and I make that very complete commitment to him.

Mr. T. P. Reid: Table it.

EQUALIZATION PAYMENTS: GAS AND OIL PRICES

Mr. S. Smith: I have a question for the Treasurer, if I might, Mr. Speaker.

I refer to the answer the Treasurer gave in the House on Tuesday regarding Ontario's position with respect to national equalization payments. He said: "I was quoted last year when I attended the finance ministers' conference whether Ontario would or would not accept its equalization money if it was entitled to it. My answer was that I would take it so quickly the member's hair would stand on end." He would accept it if we were entitled to it.

Does the Treasurer say or does he not say that Ontario is entitled to equalization payments of approximately $105.4 million in the current fiscal year under the federal system as it is now and Ontario is entitled the same as any other province which is found to be eligible? Yes or no?

Hon. F. S. Miller: Yes.

Mr. S. Smith: If in fact Ontario is entitled, would the Treasurer please explain basically why we don't have the money and what he has done to get the money? Is it not a fact that the government of Canada had at one point brought in a bill which would have removed Ontario's entitlement to that money retroactively, and such a policy and such a move had the support at that time of the Treasurer of Ontario?

Hon. F. S. Miller: In the last discussion we had on this matter the Leader of the Opposition tried to relate the equalization payments to the cash redistribution arising from the increase in oil prices.

Equalization payments, as I think I tried to say the other day, were created within Canada to spread money to other provinces that were less fortunate so that they could provide basic government services. The formula as it now stands would entitle Ontario to get some moneys; therefore my answer of yes.

However, it would not in our opinion be fair to accept those moneys for basic government services as the plan was originally conceived. Therefore, we argued that the whole formula required revision since it no longer was accomplishing those objectives. The very fact that Ontario was eligible proved the formula was wrong.

Mr. S. Smith: What do you want?

Hon. F. S. Miller: Therefore we would say, keep the oil dollars separate; let's look at the fundamental requirements of equalization payments as they assist governments and look at the factors that now should be built into it to make it representative of the wealth of Canada and the needs of Canada today.

Mr. Cassidy: Supplementary: Since I couldn't get an answer on this from the Treasurer on Tuesday, in view of the fact we now have learned the profits of Gulf Canada for the first nine months of this year rose by 52 per cent to $191 million, and the profits of Texaco Canada rose by 54 per cent to $168 million, will the Treasurer insist that the government of Canada bring in a windfall profits tax on the oil companies so that the federal government is better able to pay the equalization without having to take it from Ontario taxpayers?

Hon. F. S. Miller: As an ex Minister of Health I hope the member's hoarseness is not an illness; I hope he is simply choked up with emotion at the fact that the oil companies are making some money.

Mr. Breithaupt: I think it's called the Libyan ailment.

Hon. F. S. Miller: As I said the other day, I am sure the federal government will be looking, must be looking, at the distribution of oil revenues between the companies and the governments. I hope we can keep on stressing that a good deal of the increase in oil revenues really isn't going to anybody but governments. It is a new form of taxation,

one I rather envy them because it doesn't appear to be a tax, it appears to be a commodity price.

I am sure the major interest Ontario has is to see that sufficient moneys are flowed back into reinvestment to guarantee that Ontario and the rest of Canada have a secure oil supply in the future, as well as rewarding the shareholders reasonably for their risks in investment. That is the purpose.

When the government is setting a price, it has a responsibility to see that not all the profits flow to companies, obviously, and to make sure that some of those moneys are used in the common good.

Mr. Peterson: Supplementary: Since the Treasurer is unhappy with the present formula, would he please inform this House when and where he has made suggestions to revise the formula? What is Ontario's position? When will he table it in this House?

Hon. F. S. Miller: Obviously I can't give the honourable member a position in detail.

Mr. S. Smith: Why not?

Hon. F. S. Miller: Simply because I don't have a revised formula to give to the members today. I do see the forum for that discussion as being the finance ministers' conference. I do see Ontario's obligation at that time to come forward with good suggestions for a changed formula.

Mr. S. Smith: The minister just said he did.

Hon. F. S. Miller: I said it was one of those matters we discussed. I didn't say we presented a formula. We didn't present a formula. We agreed the formula no longer properly represented the needs.

Mr. S. Smith: Does the minister understand the formula?

Hon. F. S. Miller: Yes. Do you?

Hon. Mr. Davis: The member doesn't. That's the problem.

[2:30]

Mr. S. Smith: Mr. Speaker, the Treasurer said yesterday, or on Tuesday to be more accurate, when he was asked whether Ontario would accept its equalization money if it were entitled to it, that he would "take it so quickly the member's hair would stand on end." He has answered today to say, "Yes, Ontario was entitled to it." When I asked him why he refused to accept it then and why he endorsed the principle which would remove our entitlement, he said, "Such entitlement is ridiculous. Ontario should under no circumstances be receiving such equalization money."

Would the minister please tell us what the position of Ontario is; why it is that he's not accepting $105 million that's coming to us under the present formula; and why, if Ontario has this money coming to it, it seems to be voluntarily giving it up at this time?

Hon. F. S. Miller: Now, me Tarzan, you Jane.

Interjections.

Hon. Mr. Davis: That means in a language you can understand.

Mr. S. Smith: Now I know why we don't get anything done—

Interjections.

Mr. Speaker: I wish Tarzan and Jane would both stop swinging and get back to the question period.

Interjections.

Mr. Breithaupt: I think it's a jungle out there.

Hon. F. S. Miller: I realize there's a jungle in here. There's a bunch of monkeys over there.

I am trying very hard to maintain my decorum, Mr. Speaker. Basically, we are trying to say that if Ontario were entitled to "under the philosophy of the original equalization factors" it would take its money. Ontario probably has, with the possible exception of Alberta, the highest standard of government services in all of Canada. It is paid for out of the tax base of this province. It has in addition given a great deal of money through the federal government's taxing powers to less fortunate provinces across 100 years or thereabouts.

We simply say we do not need equalization money to provide the basic services of government and the very fact that the formula now says we are entitled to those dollars by the old calculations tells us the world has changed since 1962 when it was last reformed. Therefore, the time for reform has come.

Mr. S. Smith: You are entitled but you don't think you should be entitled.

INTEREST RATES

Mr. Cassidy: I have a question for the Premier, Mr. Speaker. Will the Premier say what action Ontario intends to take, now that the federal Conservative government has raised interest rates to the highest levels in Canadian history and in view of the devastating impact that this interest-rate increase is going to have on Ontario home owners, small-business people and consumers? Will the Premier ensure that the subject of interest

rates is put on the agenda of the first ministers' conference in December, so that the first ministers can devise a policy that does not do such appalling damage to the economies of Ontario and of Canada?

Hon. Mr. Davis: Mr. Speaker, I can't guarantee that that will in fact be an item on the agenda of the first ministers. I can't give that sort of commitment. My guess is—

Mr. Makarchuk: You always guess—

Hon. Mr. Davis: Mac, let me finish. I know you love to talk, and you love to interject.

Mr. Makarchuk: What do you talk about when you go there? Tell funny stories all the time?

Hon. Mr. Davis: It is my expectation at least that the primary item on the agenda for the first ministers' meeting will be that of energy.

I would point out to the leader of the New Democratic Party that this government is as concerned as anyone about the increase in the prime rate. It is a decision that was not made by this government, as the honourable member is fully aware. There is, I think, a commitment by the Prime Minister that members of the House of Commons themselves will have an opportunity to discuss this with the head of the Bank of Canada and perhaps some useful discussion will emerge from that.

Certainly from our standpoint we would be quite prepared to see it discussed. In spite of the fact that some people might like to see provincial involvement in the setting of interest rates or the prime rate, and whatever discussion may take place. I think ultimately the decision, and the decision-making power, will be that it should still be a function of the Bank of Canada, and where then it should be dealt with is by the Parliament of Canada not by individual provincial jurisdictions.

Mr. Cassidy: Supplementary: Since the Premier didn't mention any action that he intended to take as part of action by the government of Ontario, is the Premier aware that home owners whose mortgages were sold by the Ontario Mortgage Corporation in August of this year will face, in a few months, an increase in their mortgage rates from the present 8.75 per cent to a level of around 14.75 per cent? Will the Premier undertake to have the government stop the sell-off of mortgages by the Ontario Mortgage Corporation? Will the Premier also undertake to have the mortgage corporation get back into the business of providing housing finance at reasonable costs to Ontario home buyers with modest incomes?

Hon. Mr. Davis: That really is a question that should be more properly directed to the Minister of Housing, and I am sure he would be delighted to answer it.

An hon. member: He just left.

Mr. Cassidy: Mr. Speaker, I would redirect that question to the Treasurer in the absence of the Minister of Housing.

An hon. member: Oh, here he is. He's back.

Mr. Speaker: Did the Minister of Housing hear that question?

Hon. Mr. Bennett: No, Mr. Speaker.

Mr. Cassidy: The Minister of Housing was absent when I directed that question to the Premier. I had asked the Premier what action the government of Ontario intended to take. Since he didn't respond specifically, I asked whether the government was aware that home owners whose mortgages were sold by the Ontario Mortgage Corporation in August will face in a few months an increase in the mortgage rate from the current 8.75 per cent that they had been paying to OMC, to 14.75 per cent when they renegotiate. Will the government undertake to stop any further sales of mortgages by the OMC from its portfolio and get the OMC back into the business of providing housing finance for people on modest incomes in this province at reasonable rates?

Mr. Peterson: A point of order: The Premier was asked a question here that has been redirected. It seems to me he should stay in the House until the end of the question.

Hon. Mr. Davis: On a point of privilege: I would be delighted to stay in the House, but I really do have a bit of an obligation to head east towards a riding represented by the member for Quinte (Mr. O'Neil).

I endeavour to stay here for most of the question period, unlike some who wander out to the television sets or cameras just prior to the conclusion of question period. I really do make an effort.

Mr. Peterson: The Premier is in the middle of a question.

Hon. Mr. Davis: It is not a question to me; it is a question to the Minister of Housing, who is quite capable of answering it.

If there is some question the honourable member feels has not been dealt with properly, if he is here at 10 o'clock tomorrow morning, I assure him I will be here and I will be delighted to try to get any additional information for him.

Hon. Mr. Bennett: I am well aware of the fact that at this very time there are a number of mortgages held by the Ontario Mortgage Corporation—

Mr. S. Smith: A point of order: Since the original question was directed to the Premier, it does seem—

Mr. Speaker: Order. The person who posed the supplementary asked specifically that it be redirected to the Minister of Housing. We have done that. Will the honourable minister continue?

Mr. S. Smith: There is another supplementary coming, Mr. Speaker.

Hon. Mr. Bennett: I am aware of the fact that at this very time there are a number of mortgages at present held by the Ontario Mortgage Corporation that will come up for renewal in the next number of months.

There are a large number scattered throughout the metropolitan and surrounding areas of Toronto. They were written originally at somewhat of a subsidized rate, to encourage home ownership at that time. There was no indication by the government nor the Ontario Mortgage Corporation that after the first five years of the mortgage there would be any extended privilege or reduction in mortgage rates.

The answer to the second portion of the question from the leader of the third party—

Mr. Warner: You're going to abandon the home owners.

Hon. Mr. Bennett: —if they want to hear it, is very simply that a year ago the Ontario Mortgage Corporation had the opportunity of disposing of roughly $122 million worth of mortgages back into the private sector at somewhat of a discount to the province. Some of those mortgages have already been up for renewal, others will come on to the renewal market.

To further answer the second part, as a result of the interest rates rising in this province regarding mortgages and so on, in relationship to the interest rates at present being paid on the mortgages we have in the portfolio, it would not be advantageous at this time for the Ontario Mortgage Corporation to try to dispose of any further mortgages back into the private sector.

Mr. Peterson: I would like to redirect this to the Treasurer since we are altering the rules, Mr. Speaker, in the absence of the Premier to whom the original question was addressed.

Mr. Speaker: Order. Just so that the wrong impression will not be given, we've often, on many occasions, redirected questions on the request of certain members. Don't create the impression we're establishing a precedent here.

Mr. Peterson: I respect that, Mr. Speaker. I was concerned only that the Premier—to whom the original question was addressed and to whom I'd like to address a supplementary question is now not here, having left in the middle.

Interjections.

Mr. Peterson: If I may, I'd like to redirect to the Treasurer. Has his ministry prepared any studies to date on the impact of a 15 per cent or higher prime rate on the economy of this province? Has he a position on that? Is he prepared to take that position and forcefully express it on behalf on the people of this province, to the parliamentary committee investigating interest rates in Ottawa at this time?

Hon. F. S. Miller: Is that a supplementary, Mr. Speaker?

Mr. Speaker: It's part of the original question.

Hon. F. S. Miller: I can't say there is any study. I have been discussing interest rates regularly, including this morning. My senior advisers—a group of people who advise Ontario from the investment community—

Mr. Mackenzie: At 20 per cent, you'll still be discussing it.

Hon. F. S. Miller: I am extremely concerned, as I said the other day, about the impact. It is interesting. The impact on the business sector appears not to be too grave in spite of my concerns. The real impact is on the consumer and perhaps the smaller businessman whose profitability is more hazardous than that of the large corporations.

Large corporations in a time of inflation appear to be discounting inflation from the interest rate and are concluding, in effect, that in many cases the interest rate they are paying is negative because the net cost after taxes is less than the inflation rate within the economy. Therefore investments made with borrowed money are, in fact, not really costing them as much as if they had delayed that investment decision for a year. This does not apply to human beings who are paying off their homes and other assets for consumer use. That's the field I'm concerned about.

The other field I worry about is those companies that fight to make a profit and whose prices can't simply be raised because the cost of doing business has been raised; farmers, for example—

Mr. Nixon: Exactly.

Mr. Peterson: What are you doing about it?

Hon. F. S. Miller: —and generally the small business community that is extremely competitive.

Mr. Speaker, I would that I could tell you I could do something about it. All I can do, and interestingly enough, I will tomorrow morning be meeting with the Minister of Finance of Canada to discuss the matter.

The other day I said to you my own beliefs—

Mr. Peterson: What's your position? What are you going to tell him?

Hon. F. S. Miller: For one thing, I'm not necessarily going to tell. I'm going to listen.

Mr. Peterson: You listen to economists on both sides, and end up doing nothing. When are you going to make up your mind?

LABOUR RELATIONS

Mr. Cassidy: Mr. Speaker, I have a new question of the Minister of Labour. In the light of the bitter disputes at Radio Shack in Barrie, at Canadian Gypsum in Hagersville, at Blue Cross here in Metropolitan Toronto, and at Butcher Engineering in Brampton can the minister say if it is the government's policy to aid and to abet anti-union companies by the government's failure to bring in legislation to provide for union security and to assure the workers the right to a first contract?

[2:45]

Hon. Mr. Elgie: I think the member for Ottawa Centre would be misleading the House and anyone who is listening if he suggests this government is aiding and abetting in any activities such as the ones he has referred to.

Mr. McClellan: Bring in legislation.

Hon. Mr. Elgie: I don't think anyone should be deceived about that.

At the end of last week, the member for Hamilton East (Mr. Mackenzie) and the member for Essex South (Mr. Mancini) both raised this very same question and indicated their concern about the same issue. At that time, I indicated very clearly this was a subject which was disturbing me and disturbing many people greatly; that this issue—

Interjections.

Hon. Mr. Elgie: The members should be quiet for a minute and listen.

It was said this issue was the single issue in so many strikes going on throughout the province at the present time. I indicated to the members that the Ontario Federation of Labour would be presenting a brief to the Premier and me early in November and that I expected discussions would follow as a result of that meeting. I have no further comment to make at this time.

Mr. Warner: No legislation.

Mr. Cassidy: Supplementary: Since the minister knows perfectly well that the federation of labour and the major trade unions in this province all want to see legislation for union security and the guarantee of first contract; since the amendments that are required are perfectly simple amendments; and since the Radio Shack strike has now had to go on for two and a half months and the workers at Butcher have had to be out for three and a half months in a simple quest for union security, would the minister undertake to bring legislation into this House this fall to meet both of these requirements? Will he also undertake that the legislation will cover the four disputes I just mentioned?

Hon. Mr. Elgie: The member well knows I can give no such commitment. I think it is important he and other members of this House, speaking on behalf of both opposition parties, have indicated publicly in this Legislature their support for the principle he has raised today.

Ms. Gigantes: What about your side?

Mr. McClellan: What about your cabinet?

Mr. Mackenzie: As a supplementary to the minister, can the minister tell the House when we can expect more effective enforcement of the present Labour Relations Act, so that companies like Radio Shack can't thumb their nose at the law and ignore reinstatement orders? Is he not aware that during the course of organizing the union brought 25 charges against Radio Shack and won all of them? Does he not realize this is breeding disrespect for the law in this province and could darn well leave the minister a eunuch in terms of labour respect?

Hon. Mr. Elgie: I have been called many things but there was never a suggestion that I was a eunuch.

Mr. Warner: You are in labour matters.

Ms. Gigantes: Wait for it; it's coming.

Hon. Mr. Elgie: I don't suspect the member meant that either. If he did, I'll talk to him outside afterwards.

I think the member will have to agree that the labour relations board has responded very actively and effectively to the problems that are presented at Radio Shack. As he knows very well, the chairman of the labour rela-

tions board is now considering a decision as a result of many problems that were presented to him in an extensive hearing. That decision is expected shortly. I would prefer not to comment further at this time.

USE OF SULPHURIC ACID

Mr. Gaunt: I have a question of the Minister of the Environment. What progress has been made by the minister in providing the analysis requested in the final report of the standing resources development committee of how sulphuric acid, once it has been scrubbed from Inco's stacks, could be combined with phosphate rock for the manufacture of fertilizer?

Hon. Mr. Parrott: I think tonight would be a great time to get the answer. I am not trying to duck the question—

Mr. Riddell: Tonight we're dealing with acid rain.

Hon. Mr. Parrott: —but I think that will be the appropriate vote tonight. I will be glad to let the staff answer that question tonight.

Mr. Gaunt: Am I to take it there has been some progress made in this respect, or is one to assume the opposite?

Hon. Mr. Parrott: The member will have to assume, until this evening, that I don't know the answer.

An hon. member: Honesty is the best policy.

Mr. T. P. Reid: I don't believe it.

Mr. S. Smith: Supplementary: Does the minister not agree that the solutions, such as using the byproduct sulphuric acid to combine with phosphate rock to create fertilizer or other new markets for sulphuric acid, are not going to come unless the government makes it very clear to Inco it is going to pay a very heavy penalty for pollution and that it is not going to be permitted to continue? Does he not agree this will force them to put some money into these alternative solutions?

Hon. Mr. Parrott: I know there's been a lot of thought on the use of sulphuric acid and the byproducts of the smelting process. I don't think we're yet ready to agree that that is just the natural answer. It is unrelated to the more important and more immediate problem. I don't think one can use that as an answer to the emission problem. I think the member will find the vast amount of sulphuric acid that would be used for sulphate in fertilizer is likely to create other problems equally as large in both storage and use.

Mr. Laughren: That's a lot of nonsense.

Hon. Mr. Parrott: I don't think that's the approach we would use at this time because of the volumes involved.

Mr. Laughren: Supplementary: At the very least, will the minister give us an assurance that a new control order with specified tons of emissions as applying to the Inco superstack will be levied against Inco before the end of the year?

Mr. Foulds: Do that much.

Hon. Mr. Parrott: I don't think so.

ALGOMA CHILDREN'S AID SOCIETY

Mr. Wildman: I have a question of the Minister of Labour. In view of the minister's response with respect to negotiations in the private sector, how does the minister respond to the statement by Ken Delvecchio, president of the Sault Ste. Marie and District Labour Council, that the provincial government itself is participating fully in strikebreaking in the labour dispute between CUPE Local 1880 and the Algoma Children's Aid Society and to Mr. Delvecchio's call for the government to cease to be actively involved in strikebreaking?

Hon. Mr. Elgie: The member has written me about that. We've had several conversations about it. He knows full well my view that this government does not participate in any strikebreaking activities. Also, he's already spoken to the Minister of Community and Social Services (Mr. Norton) about it.

Ms. Gigantes: Do you think speaking to you guys does anything?

An hon. member: It doesn't do a thing.

Mr. Wildman: In view of the minister's response here and his statement to me that his government is not interested in advocating strikebreaking, how can he continue to acquiesce in the actions of his colleague, the Minister of Community and Social Services, in requesting the Sault Ste. Marie Children's Aid Society to hire additional staff and in actively recruiting a total of up to 20 outside social workers to work at various times during the last three months of this strike at tremendous cost to the local society?

Hon. Mr. Elgie: Once again I say to the member I have responded to him in great detail by correspondence, and the Minister of Community and Social Services has assured him that he has not been involved in any activities such as the member referred to,

other than in those he is obliged to because of the statute under which he operates.

That's very clear, and don't play around with it.

Mr. Wildman: On a point of privilege, Mr. Speaker, in his response to me the Minister of Labour indicated that I was playing around with this issue. If he is really serious about this, he would know I'm not playing around with this serious problem.

Mr. Speaker: That's not a point of privilege.

Mr. Wildman: If the government would give them the money they need to solve this dispute, we wouldn't have it.

Mr. McClellan: It is a $30,000 strike for four months. That's what you've got over there. You could settle it for $20,000.

REGISTRY OFFICES

Mr. Cureatz: I have a question of the Minister of Consumer and Commercial Relations. Is the minister still considering doing away with the land registrar position in the various registry offices across the province of Ontario, including the registry office in Bowmanville?

Hon. Mr. Drea: In a number of areas where the volume of business does not dictate having both a land registrar and a deputy land registrar, we are retaining the post by attrition of the deputy land registrar. If the office picks up in volume so as to warrant the additional cost of a senior registrar, we will do so.

Mr. Eakins: Supplementary: Would the minister not agree that this move could very well be seen as another means of lessening the importance of the small communities of Ontario which have always had a resident registrar and where the caseload is increasing? Could this not be seen as a wedge to remove the small town registry offices, which was planned by his predecessor?

Hon. Mr. Drea: I don't know how many times across Ontario, how many times in this Legislature, how many times in my estimates, I have to say that no registry office in this province is being closed.

Mr. Bradley: The former minister used to close them. Does that mean this minister disagrees with the member for St. Andrew-St. Patrick?

Hon. Mr. Drea: Furthermore, in a year from now or whenever the building is available, a new and additional registry office will be opened for the region of York.

Mr. Bradley: Larry closes them and you open them.

Hon. Mr. Drea: What we are doing—and we have an obligation to the public in this regard—is where there is an office that can be very admirably supervised by a person with the position of deputy registrar, or perhaps even a junior grade registrar, rather than the traditional practice of always having a senior registrar and deputy, we are going to do that. It will save funds and it will enable people, particularly the legal profession, to transact land transfers much more equitably and without additional cost.

To leave a full staff—a full staff being defined as what was there 100 years ago—in a registry office that is not doing volume today, I will tell the member, in this economy and with the budget with which I have to operate, would be a mortal sin.

An hon. member: What about a cardinal sin?

MIGRATION OF SKILLED WORKERS

Mr. Peterson: I have a question of the Treasurer, Mr. Speaker. Is the Treasurer concerned about recent stories that some 30,000 Ontarians are migrating westward, principally to Alberta, a high percentage of them skilled tradesmen? Is he concerned about this? How does he feel it bodes for the future industrial strength of this province?

Hon. F. S. Miller: Each month I get a demographic report from Statistics Canada. I pay quite close attention to it. I would have to go back and check them, but it seems to me the first month we had a net deficit on Canadian migration—

Mr. Peterson: Of skilled workers.

Hon. F. S. Miller: —was during the month just past, or the latest month recorded which, I believe, was August. Looking at that month, it struck me that the migration, which is generally from the east to the west right across Canada, to date has been in Ontario's favour. The migration out of Quebec to Ontario and out of the Maritimes to Ontario generally has exceeded the migration from Ontario westward. In the latest report, that was not so. There was a net deficit in that figure, if I recall correctly, of about 1,000 people in that one time period. If I recall, the figures were about 8,100 to 6,800 or 6,900. Does that ring a bell with the member?

Obviously we're losing some skilled workers to the west. Obviously that is of concern to Ontario. At the same time, I would hazard a guess that we're also picking up skilled workers, as we always have, from the rest of

Canada, particularly recently from the province of Quebec. We've had a great influx of people from Quebec with skills of all types.

Mr. Peterson: The Treasurer would hazard a guess. I say, respectfully, those are things we should probably know.

Supplementary: Wouldn't the Treasurer say that evidence of a recent change in the net migration of skilled workers, in addition to the recent reports of about $3 billion of Ontario-based money being invested in Alberta and his own assertion that the proposed federal energy package could cost Ontario 20,000 jobs and $1.2 billion, with Alberta actively—or at least subtly actively—luring businesses west with better tax rates and many other kinds of incentives—doesn't he feel now, given all of that evidence and much more which I would bring before this Legislature, that it is time to introduce a comprehensive industrial strategy to fight back for the economic health of this province?

[3:00]

Hon. F. S. Miller: A good part of our attitude has been to maintain the oil price where it is. We believe that's one of the major protections one can give the workers and industries in this province.

At the same time, let us be honest. There are certain kinds of skills which have traditionally been mobile. I would suggest to you that when the Bruce and Pickering nuclear plants were being built, we depended very heavily upon skilled labour from Quebec. It was not necessarily permanently resident in Ontario. Skilled labour has a tendency to go where large construction projects are under way. Obviously that is happening out west because of the great growth.

Secondly, it always seems implicit in the statement the west is doing well that the east is doing poorly. That does not necessarily follow. Canada is suddenly richer. I think that needs to be stated. Again, I'd state that I'm delighted that Canada is richer, and I trust the members are.

Mr. T. P. Reid: And everything is fine in Ontario?

Hon. F. S. Miller: The real issue is, are the western provinces going to start some kind of a war or some kind of an incentive plan that pits province against province for industries that should not, through natural economic reasons, move away from the industrial base of Ontario?

I think Ontario would argue, as it did a year ago at the first ministers' meeting, that regions should build upon strengths. They should not create artificially-supported industries that cannot sustain themselves once the support is withdrawn. For example, if you had a steel industry fragmented by putting part of it out west—and rumours indicate there are pressures in that direction—I would say that is not in the interests of Canada, not in the interests of Ontario, not even in the interests of Alberta.

Mr. Laughren: Would the Treasurer tell us if he has commissioned a study, either at the Ontario Economic Council or elsewhere, to indicate precisely what the effect on the Ontario economy will be of the increased interest rates, of the oil price increases that are to come, and of the unusual growth in the western provinces? Has he commissioned any study to indicate what lies ahead for the province of Ontario?

Hon. F. S. Miller: If the member asks if I've personally commissioned such a study, the answer would be no. I have, on the other hand, a very active, intelligent economics department which in most cases hardly needs to be commissioned to start feeding me that kind of information.

I get a fair amount of information. People have, for example, challenged our statements about the loss of jobs when the oil prices go up. It's easy to challenge them because it's very difficult to prove them.

Mr. Laughren: I'm not challenging them.

Hon. F. S. Miller: No, I know the member is not. I'm just saying people have; I'm not saying he has. I think he tends to agree with me on that one. I think for a change we're on the same side. Others have challenged me and we can only say that our basis for that kind of thing has been historical. A review of what happened in 1973-74 gave us certain measures of the effect on the labour force, job opportunities in Ontario, which we've extrapolated to the present time. That's all an economist can do.

Mr. Roy: May I ask a supplementary on the Treasurer's answer about other provinces luring business or corporations away from Ontario? What does he say to the statement printed in the Toronto Star yesterday? The Premier of Alberta said he was perfectly justified in having special incentives in Alberta under his Corporations Tax Act, which I understand is to come into force in 1980-81, because Ontario had created a fund whereby corporations were paid to establish here. Therefore, he was justified in having special incentives in Alberta to lure companies there.

Hon. F. S. Miller: I tried to make the distinction. First, Ontario's Employment De-

velopment Fund has studiously and carefully avoided giving a grant, to the best of its knowledge, ever to anyone who had a choice between Ontario and another Canadian province. As a matter of fact, we have flatly turned down at least two I recall, that wanted us to do that. One existed in British Columbia and wanted to come to Ontario. Our answer was, "No, If Ontario wins because of natural reasons, please come. We cannot give you a grant to come."

Mr. Roy: We're only fighting the Americans.

Hon. F. S. Miller: Yes, we're only fighting the Americans on that issue.

Again, I would hope to see the industrial base of Alberta grow. I would hope that there are industries which legitimately can flourish in that area. I don't blame the Premier for using whatever leverage he might have, but I think he should be careful not to try to establish hot-house flowers that do not survive once the sunlight is withdrawn.

Mr. T. P. Reid: Did you think that up all by yourself?

HYDRO SAFETY INSPECTIONS

Mr. Philip: A question of the Minister of Energy. Has the minister had a chance to review the report of the inquest of July 19, into the death of Paul Dutcher, a child resident in Etobicoke, who died as a result of placing both hands on bared wires carrying 600 volts on the roof of a building on Kipling Avenue?

Is the minister aware of the grave concern of the Etobicoke council that four months have passed since the death of this child and no action has been taken by Ontario Hydro to correct the problem that resulted in this child's tragic and untimely death?

Hon. Mr. Welch: Mr. Speaker, I have not read the inquest, but will make it my business to become familiar with this issue and report back to the honourable member.

Mr. Philip: By way of supplementary, since one of the recommendations in the coroner's report is there should be safety inspections by Hydro authorities carried out every five years, and Ontario Hydro has expressed the opinion that it does not have the staff to carry out these inspections, would the minister tell us whether he agrees with Ontario Hydro's position on this? And would the minister take whatever action is necessary to see that the recommendations of the coroner's report are implemented by Ontario Hydro, either by his direction or by whatever changes are necessary in the Power Corporations Act?

Hon. Mr. Welch: I will include these questions and those concerns in my review.

DEER HUNT

Hon. Mr. Auld: Last Friday the member for Huron-Middlesex (Mr. Riddell) asked a question about the Ontario deer hunt schedule for November in Simcoe county.

I want to tell him I would not propose, on the basis of potential trespass problems, the cancellation of that deer hunt, but I would like to point out why not.

First of all, the hunt will be the most closely controlled big-game hunt ever held in Ontario. The number and distribution of hunters will be controlled. Each hunter who is allowed to participate, and there was a draw, has been informed at least twice in writing that charges will be laid for trespass offences; extra enforcement staff and vehicles will be patrolling the county to ensure compliance. All police forces in the county have indicated they will respond, if required. A helicopter will be used to ensure prompt response to trespass complaints.

Approximately 80 per cent of the hunters reside in Simcoe county and, as I recall, some 100 of them are farmers. We anticipate the above-mentioned precautions are more than will be required. However, if a difficulty arises, we will have the resources available to deal with it.

Mr. Riddell: My question would be, why is the minister so determined to allow this hunt to go on when the county council has definitely indicated to him they do not want it, for reasons of their own, I suppose? The Ontario Federation of Agriculture and the local township federation of agriculture have all passed resolutions saying they want the minister to cancel it for this year. They must have reasons for so asking. Why doesn't the minister simply comply with it?

What is the cost, by the way?

Hon. Mr. Auld: There is a problem there, because of the excessive deer population for one thing. There have been some fields where 30 or 40 deer have been seen trying to find food. There were a number which didn't survive last winter, but now there are more deer available.

There have been almost 100 collisions reported between automobiles and deer. There have been complaints from farmers.

I am told that originally when our staff approached the county federation there was no objection. Then there was a gentleman who appeared before the county federation. Our staff was not there at the time. They

had not been invited. That was when the federation apparently changed its mind.

However, there are 17 townships in the county. Eleven townships have indicated they are in favour, three townships are opposed. They haven't expressed their opposition to us, but we understand they are opposed and three townships haven't expressed acception or rejection.

Mr. Foulds: Supplementary: Has the minister sold the deer-hunting licences yet?

Hon. Mr. Auld: We have had the draw and about 1,600 validation stamps have been issued. Whether all those people have bought their licences yet I don't know.

Mr. Riddell: I have a point of privilege. In my supplementary question to the minister, I asked what was the cost of his program to patrol these areas. He didn't give me a cost; I wonder if he could.

Mr. Speaker: That is not a point of privilege.

Mr. Riddell: Are we going to get answers or not in the House?

Mr. Speaker: The minister can answer in any way he deems proper.

STORAGE OF HAZARDOUS SUBSTANCES

Mr. Bradley: A question for the Minister of the Environment. Is the minister aware that at the present time in the city of St. Catharines, the Niagara regional police force is looking for some dangerous chemicals which were stolen from a refrigeration repair truck? Those chemicals include several kinds of acids and cyanide. If he is aware of it, is he not concerned these kinds of chemicals are available, are being stored in a place which is a place of easy access to potential thieves? Is he contemplating any regulations that would prevent this from happening in the future?

Hon. Mr. Parrott: Obviously the honourable member is concerned. I don't think the bill on spill legislation specifically addresses the question but it goes a long way towards it. I think now the onus is clearly on those who own or are in control of dangerous substances. It would put all the responsibility on the individual or the company.

With that legislation which will soon be in place, it would be easy to prosecute. More particularly it would protect anyone who suffered damage—that complemented by the fund in case the law was never able to find the responsible people. We can at least say any damage would be cleaned up and compensation paid to those who were insured.

It doesn't quite say we can protect everyone from that danger, but I think that's a problem so large the law can't protect us from a lot of things. It can set up the right conditions and I think we have. But as long as there are people prepared to deal in illegal activities we'll always need law enforcement obviously.

So the combination is one of concern and one of action in the sense of having the appropriate legislation to address any harms that might result from illegal actions.

Mr. Speaker: The time for oral questions has expired.

REPORTS

STANDING GENERAL GOVERNMENT COMMITTEE

Mr. McCaffrey from the standing general government committee reported the following resolution:

That supply in the amount of $4,172,000 to defray the expenses of the Office of the Ombudsman be granted Her Majesty for the fiscal year ending March 31, 1980.

ADVISORY COUNCIL FOR THE PHYSICALLY HANDICAPPED

Hon. Mrs. Birch presented the fourth annual report of the advisory council on the physically handicapped for the period April 1, 1978 to March 31, 1979.

INTRODUCTION OF BILLS

CEMETERIES ACT

Hon. Mr. Drea moved first reading of Bill 157, An Act to revise the Cemeteries Act.

Motion agreed to.

[3:15]

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I would like to table the interim answers to questions 277 to 281, and the answers to questions 282 to 284, 285 to 298, 300 to 303 and 320 standing on the Notice Paper. (See appendix, page 3842.)

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

PUBLIC OPINION POLLS

Mr. T. P. Reid moved resolution 22:

That an order of the House do issue for the production of all public opinion polls commissioned by the Ontario government from April 1, 1974 to April 1, 1979.

Mr. Speaker: The honourable member has up to 20 minutes and if he wishes to reserve some of that time for a reply or windup, he should notify the table officers. The member for Rainy River.

Mr. T. P. Reid: Thank you, Mr. Speaker. I will reserve the last five minutes as a rebuttal and as a windup regarding my resolution.

The resolution asks that the government table in this Legislature all of the public opinion polls done between 1974 and 1979. The reasons are obvious but I will go over them point by point. The Premier's words here this afternoon were he would not restrict his members and they would vote their conscience and they would vote as individuals. I presume if that in fact takes place, Mr. Speaker, this resolution will have the support of all members on all sides of the House.

I have been raising this matter for three or four years in the Legislature, asking that public opinion polls commissioned by this government and paid for by the taxpayers of the province of Ontario be tabled in this Legislature so the members of the Legislature as a whole may have access to that information, so the taxpayers generally and the citizens of Ontario may see what their money is being spent on.

It's strange, quite frankly, for us to use private members' hour to ask for something that should automatically be forthcoming from any government in Canada, any government that holds itself out as democratic. I would say I find it of the greatest hypocrisy —the greatest—and I say this sincerely, that the people opposite who in March 1977 set up an expensive royal commission to study the availability of information, the freedom of information and privacy of the individual, should at the same time block in this Legislature repeated demands by both of the opposition parties to access to information to which the people of Ontario are entitled, just because it is what the government chooses to call open government and because they have footed the bill for these.

I would like to quote, if I may, from the March 29, 1977, speech from the throne. I say to the former House leader and the emanation of whatever he is now, I hope it rings rather hollow. The speech from the throne reads thusly:

"In order that further progress might be made in broadening the processes of government and information-sharing and in order that this progress might be pursued with a proper concern for personal privacy, a commission on freedom of information and individual privacy will be named to study . . ." and so on and so on.

They say that on the one hand and they completely deny to the members of this Legislature and to the public information they say is used for what? That is the next question we will get to.

Further on in the speech from the throne: "As citizens have a right to open and responsive government, they also have a right to due process of law."

Imagine the Premier and his counsel sitting down and writing those words and then coming in this Legislature and refusing information to the members of this Legislature and the province at large.

Let's get to those occasions when the matter has been raised by myself and others in the Legislature. I won't quote everything from Hansard because it would take too long, but in response to questions from myself the answers have run rather in three ways. The Premier has stated that in one sense the government will not allow this information to be made public because it is of a sensitive nature, but he says that this information from these public opinion polls is not used to direct government policy or in the preparation of legislation. That's what the Premier says.

The member for Scarborough North (Mr. Wells), in response to a further question of mine, said, "We use this information as a guideline and as an input for public policy and public legislation." He says he calls it "people participation."

You have the Premier saying one thing and a cabinet minister saying the other. Who are we to believe? Those two statements are contradictory.

The Chairman, Management Board of Cabinet (Mr. McCague)—and the member for Leeds (Mr. Auld) as well—in reply to one of my written questions said simply, "The polls in question constitute working documents for the development of policy and it is not the practice of the government to release material of this nature."

Obviously the Premier is wrong. Obviously, the Premier has misled the Legislature. Or, obviously, the Premier doesn't know what he is talking about. In the last few days, in talking about provincial-federal affairs, oil policy and so on, I am almost inclined to believe that the Premier doesn't know what he is talking about.

Mr. Williams: Point of order: I believe the member suggested that the Premier, in speaking on this issue before the House, has misled the Legislature. Is that not unparliamentary,

Mr. Speaker, and if you deem so, should he not withdraw that statement?

Mr. Deputy Speaker: I am not fully aware of the way the honourable member used that term. I would ask the honourable member to reconsider, if that is so.

Mr. T. P. Reid: Mr. Speaker, I didn't say that—

Mr. Foulds: I believe the member for Rainy River was entirely in order. He made no allegations of the Premier misleading the House. He just indicated that the Premier didn't know what he was talking about, which is in fact very common.

Mr. Williams: The member for Port Arthur clearly was not listening to the debate because the member for Rainy River clearly and unequivocally said that the Premier misled the members of this House. I would suggest, Mr. Speaker, that is unparliamentary and he should withdraw the remark. Clearly, he made that statement.

Mr. Deputy Speaker: The member for Rainy River, would you clarify?

Mr. T. P. Reid: Mr. Speaker, you have been sitting here through the debate. I am sure if I had said the Premier was misleading the House and made that statement unequivocally, you would have brought it to my attention.

What I did say was that there were three possibilities in regard to the evidence before us; namely, that the Premier might have been misleading; the Premier might not know what he is talking about; or the Premier might be contradicting the member for Scarborough North and it has to fall in one of those categories. At no time did I say the Premier was misleading the House.

I appreciate the intervention of the member, but it won't deter me or throw me off from my pursuit of this.

Obviously the member for Scarborough North who was then the Minister of Education, indicated that these polls are used in the formation of public policy and legislation in the province of Ontario.

I am going to bring up that in our standing rules, that have been accepted on all sides of the House, section 26(c) provides that background material, a compendium of background information, should be tabled in the House with every policy statement and every piece of legislation. Obviously that information, those public opinion polls that have gone into public policy direction and into the legislation should be tabled. Section 33(e) of the standing orders also provides that for legislation a compendium of information should be tabled in this Legislature.

I say, Mr. Speaker, that the government is in complete violation of the standing orders of this House. I raise this with your eminence, if I may use that term after last Monday night. Quite frankly, it's not a term of approbation as far as I'm concerned, but regardless of that—

Mr. Van Horne: It has to do with apoplexy.

Mr. T. P. Reid: That's right.

I say to you, sir, that the government is not living up to either the rules or the spirit of the Legislature in this regard. I can well understand why the government refuses to table the public opinion polls that are paid for with public money. I don't have the dates for two instances because that information was not supplied when I asked the question, but let me just read a couple of the public opinion polls that were commissioned, who did them, and what they cost.

Treasury and Economics' Life in Ontario, which certainly covers a wide section, was a poll to establish current views of the people of Ontario on such matters as inflation, employment, taxes and other economic issues. It cost $60,000, paid to Goldfarb Consultants.

The Premier stood in his place and said today in answer to questions by myself and my leader that those things were never used by the Conservative Party, as distinct from the government of Ontario, for any partisan political purposes.

I ask the member who is here from that beautiful area of the province, does he really expect us on this side to believe that you can read these public opinion polls and not sort of translate it into something like, "Well boys, now's the time to go," or, "Oh, oh, everybody's finally finding out how rotten and incompetent we are. We had better not have an election"? For the member to expect us or anybody in the province to believe that is asking for a naivety that may have been shown over the past 36 years, but it's now catching up to the member.

But I submit to you, Mr. Speaker, it's because of polls like this and the information contained therein that the government won't table these polls. They're afraid of the information that's in them. They're afraid we'll find out the uses to which that information has been put. As somebody said, "If you have nothing to hide, why hide it?"

It's interesting, and the timing couldn't be more interesting, that the federal government has just come down with a Freedom of Information Act. I'd like to read you some ex-

tracts from a couple of things that I think you may find of interest.

There is an article by Geoffrey Stevens in today's Globe and Mail which includes: "No legislation can force a government to present its policies and decisions in an unfavourable light. But a freedom of information law discourages managing, manipulating, and orchestrating. Without making government operate in a fishbowl, it adds a new factor to the decision-making process, the knowledge the public has or can obtain, the information to assess and judge government actions."

That's what it's all about. We want to be able to judge the government on the policies. We want to know and have that same information the government is making its decisions on. My leader said today there is no other government, certainly in Canada, that's more secret than this one. I would add to that there's no other government more hypocritical when they talk about the Freedom of Information Act then stand in their places and stonewall the legitimate concerns of the opposition and the people of Ontario in this regard.

I understand why they're doing it. They're doing it because they're using those polls, at least to some extent, for political purposes. They are afraid to admit it. And they should be, because they're using public funds to maintain themselves—at least they think so—in office.

I have already read you one example, Mr. Speaker, and I will read you some more: The Cabinet Office, as distinct from Treasury and Economics, Survey of Policy Perspectives, $8,200, Complan Research Associates Limited; Survey on Political Reactions and Future News, $60,000, Goldfarb Consultants Limited; and Survey of Current Problems and Issues, $10,900, Complan Research Associates Limited.

I ask you, Mr. Speaker, if you as an objective person, as I know you are, went through this list you would find in one year alone—1978-79—almost a half a million dollars worth of polls. If you went through those with an objective viewpoint, you would say those were polls for the political use of the Conservative Party in the province of Ontario.

I have a great deal more to say but I am going to save the last five minutes for the end of the debate.

Mr. Kerrio: The time to resolve is at confession.

Mr. Lawlor: The introduction of this resolution at this time is both auspicious and inauspicious, as are the usual ambiguities inherent in the Liberal mentality.

Mr. Roy: Explain yourself please.

Mr. Kerrio: That's a step in the right direction.

Mr. Lawlor: It is auspicious because, precisely as the last member who spoke has mentioned—

Mr. T. P. Reid: It is going to be another one of those speeches where we don't know where the NDP stands.

Mr. Lawlor: I think you will find that out quickly enough.

Mr. Kerrio: Tell us now and save the suspense.

Mr. Haggerty: You do know what the resolution is about.

Mr. Lawlor: The Legislation was introduced in Ottawa yesterday afternoon, somewhat to our surprise. I had expected Jed Baldwin would have had to make as much a crusade against his own party and was threatening to do so. He had actually started to do so, as he had against the previous self-enclosed government, about which the Geoffrey Stevens' article is largely concerned, particularly with some quotations from Pierre Trudeau.

An hon. member: Just one.

Mr. Lawlor: It is kind of an indication, with that legislation coming down, as to the regard that the federal Conservative Party has for, or pays to, the Ontario bunch. The moot question at the time when Ontario launched a major investigation into this whole field was its particular hang-up over the American legislation and the way in which the Freedom of Information Act, which is far more elaborate, operates in Washington, which entails the preparation of the lists, et cetera. In the American case, a very considerable cost is involved in bringing out what is available quarterly so people may select what it is they want to know.

Our legislation and the bill I brought before this House earlier do not get into all those ramifications. It would be most interesting to learn just exactly what it is intended to do, as this legislation is developed, with regard to making informed choices and selecting that which the individual wishes to know in this regard.

As I mentioned, the Americans have now come to publishing quarterly reports at very great expense. I know the Liberal Party and our party have both appeared before the Carlton Williams commission to give testimony in this particular regard, although I am convinced at this time that it was a

stratagem used by the Attorney General of this province simply to procrastinate and put off the day. The federal Conservatives simply ignore whatever is being done here. The amount of bearing you have on the direction of events there—they have in effect pre-empted you and made you look foolish in the introduction of the legislation.

That was one of the reasons I felt, apart from some other matters in detail in that legislation, it ought not to be considered a model for the basis of devising our own legislation. I would very much trust that this government does not send counsel or any representative from the present royal commission investigation in order to interrogate and to sit in on and to become involved in the federal legislation coming through. That may foreclose a good deal of any original thinking that may be forthcoming in this regard and cloak and swaddle the issue.

It was auspicious it should come at this time, but it was also inauspicious in so far as I can think of very few subjects I would rather have less information on. It is strange that public opinion polls should be the nub in this debate in the first attempt to extract information from the government. It's strange the resolution should be directed to that end.

On the whole, from my own point of view, I would be more inclined to suppress the information—to ban the polls themselves. I think they are manipulative in the extreme and that people are contorted over the operations. They are not simply informative; they are persuasive devices, et cetera. A lot of people watching the polls, in the conformist fashion, are inclined to get on the side of the big battalions and go along and be one of the majority on many things. It's not helpful for a democracy to have such a widespread and deepseated use of these polling devices. From that point of view I have some hesitation over the matter. But in the final analysis, one can't help but support a resolution of this kind.

If 20 members of the government stand up to block this matter, which I believe they're quite likely to do, based on past performance, there will come a day in this House when one or the other opposition parties is almost certain to boycott this private members' hour, which is being made a farce of, or alternatively will echo the government in kind—which either party is capable of doing. On a general and rather irrational overall principle they might block every Conservative motion that comes before the House until the government learns its lesson.

Mr. Roy: Right on.

Mr. Lawlor: We're not prepared to put up with this very much longer. Private members' hour was supposed to be given a prominence so that back bench members of this House would have a role to play and the role of the House would be heightened in comparison with the old days. It's quite the contrary, because that hasn't happened at all. All Thursday afternoons are used up when in my opinion they could be very well used for legislation and for more central purposes than a kind of vacuous debate which one knows in advance is going to lead to absolutely nothing.

If that's the way the game is going to be played, then I don't want to play the game. I am sure there are many members over here, particularly, who feel the same way, and increasingly so Thursday afternoon after Thursday afternoon.

I put that bug in the government's ear. The members over here, on both sides of this little fence, almost invariably take a diversity of positions on these issues.

An hon. member: Very seldom.

Mr. Lawlor: On no occasions to my knowledge, have we stood up to block the government's resolutions.

Mr. Kerrio: Very responsible, Pat, very responsible.

Mr. Roy: Even when you vote for it your leader sometimes will veto it.

Mr. Lawlor: I would ask them, on their kinship and tribal practices over there, between their kissing cousins upstairs and us here, that they too give the first niggling or beginning of a gesture towards recognizing the principle of freedom of information and disclose the information being asked for by the honourable member.

Mr. Williams: Mr. Speaker, I'm pleased to participate in the debate on the resolution before us this afternoon from the member for Rainy River.

First and foremost, I want to make it abundantly clear that this government is well aware of the real purpose and nature of the marketing surveys and opinion polls that are conducted by its ministries. I stress the word ministries. In fact, they are quite important in the development and implementation of some programs. They help make the programs cost effective; they help ministry officials avoid pitfalls in the application of policy.

Mr. Foulds: How does the member know all this without having seen them?

Mr. Williams: They have maximized the efficiency of operations generally, but, Mr.

Speaker, they achieve all these positive ends within a context. That context is in no way partisan, I assure you.

Mr. Samis: It never is.

Mr. Williams: It is the quite legitimate managerial prerogative of ministry officials charged with the responsibility of putting into practice the express will of this House. The polls we are considering on this ballot item are conducted within the context of the decision authority of the officials involved in specific programs.

It is absolutely untrue to say the results of these polls serve, in any way, the specific interests of this party. They serve the people of Ontario.

Mr. Samis: Yes, but the government won't tell them.

Mr. Foulds: How can the member say that with a straight face?

Mr. Williams: I repeat, it is absolutely not true that the results of these surveys are used in the political process.

Mr. Foulds: That's simply not true.

Mr. Williams: The polls done within government ministries are, in fact, quite limited in scope as a rule.

Mr. Foulds: Good, publish them and make them public.

Mr. Williams: This becomes obvious from merely reviewing their titles as tabled in this House last May 31. They are designed and conducted entirely within the parameters—

Mr. Foulds: What parameters?

An hon. member: Too big a word, eh? Try again.

Mr. Williams: —of specific programs. I consider it wholly responsible for ministries to conduct such activities—

Mr. Foulds: Make them public.

Mr. Kerrio: Why can't the government make them public?

Mr. Williams: —particularly if, as I am persuaded is the case, they result in savings of taxpayers' money.

Mr. Wildman: Yes, but the member is missing the point.

Mr. Williams: That is a very commendable thing to do at a time when we must all tighten our belts a little bit.

Mr. Foulds: The government won't publish them though.

Mr. Williams: Some members of this House would insist the data collected in the polls conducted by ministries should be released to the Legislature. It is claimed they compose part of the background information to bills.

Mr. Samis: So is your federal party.

Mr. T. P. Reid: The member wants to block it, eh?

Mr. Williams: As I have said, and my colleagues have said in the Legislature on more than one occasion—

Mr. Wildman: Did the member check with Jed Baldwin about this?

Mr. Deputy Speaker: Order.

Mr. Williams: —they are not done for the purposes of framing legislation. They are done only as an adjunct to the implementation of programs.

Mr. Wildman: The member is an adjunct to history.

Mr. Williams: Therefore, neither I nor other members of this government could, in any way, condone or accept the idea of releasing data from such surveys.

Mr. Samis: What idiocy.

Mr. Williams: To do so would be to release out of context a welter of figures and isolated facts that could be used, and no doubt would be used, in the political process and, in particular, by those whose purpose it is to try to embarrass this government.

Mr. T. P. Reid: Wouldn't that be terrible? Don't let democracy work.

Mr. Williams: There is no way I could possibly condone the release of statistical material of this nature out of context when I know it would simply serve to become grist in the mill of the manipulation of public opinion.

Mr. T. P. Reid: Oh, my God.

Interjections.

[3:45]

Mr. Williams: This is an attempt to embarrass this government—

An hon. member: You're to the right of Mussolini.

Mr. Williams: —at the expense of the fine men and women who serve in the public service.

An hon. member: Watergate's alive and well in Oriole.

Mr. Williams: I can assure—

Mr. T. P. Reid: You're smiling.

Mr. Deputy Speaker: Order.

Mr. Williams: I can assure—

Mr. T. P. Reid: You should have read it before you came here.

Mr. Williams: I can assure the members opposite that there has been no misuse of public funds. I can assure the citizens of this province that their government is acting in the public interest by not disclosing the results of polls that were in many cases conducted on a confidential basis and that were in all cases geared to very specific non-political ends.

An hon. member: Who wrote that for you?

Mr. Riddell: How do you know that? You don't even know what's in the polls.

Mr. Foulds: Your assurance isn't good enough.

Mr. Williams: I suspect that one of the ulterior motives behind this resolution is to increase the influence of the mass media on policy-making in Ontario.

Mr. Samis: How many polls do you take a month?

Mr. Williams: I honour the role of a responsible free press which is essentially one of information dissemination, not manipulation.

Mr. T. P. Reid: As long as you don't tell them anything.

Mr. Williams: I suppose this is an area of contention, but my feeling is that basically the men and women of this province are perfectly capable of making their own decisions when presented with the facts.

Mr. Bradley: You don't trust the media, John.

Mr. Wildman: Williams, the member for San Clemente.

Mr. Bradley: You don't trust the media, we know.

Mr. Philip: Even H. R. Haldeman wouldn't say that.

Mr. Williams: I respect the fine, responsible work done by the journalists in the press gallery of this assembly.

Interjections.

Mr. T. P. Reid: Have you seen the press releases about it?

Mr. Deputy Speaker: Order.

Mr. Williams: Their work is very important indeed. I respect honest, full, accurate reporting and I respect a judicious editorial interpretation which we are fortunate to find in our papers far more often than not.

Mr. Foulds: One speech a week from you is too much.

Mr. Williams: I cannot conceive of even the most rabidly partisan member of the press arguing that he or she ought, by some sort of mandate, be given an increased role in government policy-making.

Mr. Bradley: Just the Tory hacks.

Mr. Williams: The very basis of our system lies in the voters' free choice of candidates, to whom they will entrust the job of governing, of managing the affairs of this province.

Mr. T. P. Reid: As long as they don't have any information, eh?

Mr. Williams: It is we, the elected representatives, who have been given the public trust as governors. I cannot accept the idea of bartering and jockeying for isolated facts and opinions in a game of information politics. That would represent a very serious deterioration in the quality of government that the people of Ontario have come to expect, and have every right to continue to expect.

Mr. Wildman: Even Coulson repented. Come on, you too.

Mr. Williams: Also, I would caution the men and women of the press to be wary of being used as tools, in the debate and the discussion surrounding the issue we face.

An hon. member: I hope Hansard picked up that chuckle.

An hon. member: You should be on the Gong Show. Get the hook.

Mr. T. P. Reid: You should have read this before you came in today.

Mr. Deputy Speaker: Order.

Mr. Williams: This is precisely what I am afraid could happen were we to accept the resolution before us at the moment. I must confess that I detect a very typical Liberal attitude or philosophy lurking behind this resolution.

Interjections.

Mr. Williams: I think it is an attempt to lead Ontario in a direction that is all too common today. I cannot help but wonder whether the members opposite are not trying to encourage the idea of managing the affairs of this province on the basis of trying to outguess that which the public will approve.

Mr. T. P. Reid: You're the one with the polls.

Mr. Samis: How many polls has your party taken this fall already?

Mr. Williams: The next step, as history will tell us over and over again, will be to recommend measures that will have the effect of trying to mould and manipulate that opinion, though of course they won't admit it.

It's easy for the opposition to promise this type of thing. Since they were unable to succeed in convincing the public that they would provide good government in the last election in this province—

Mr. Bradley: I thought General Franco was deceased.

Mr. Williams: —they try to flatter it now in any way they can.

Mr. Philip: Didn't you support Joe Clark?

Mr. Williams: They have not had to implement difficult decisions. They're not caught between taxpayers, who legitimately question the extent of their contribution to the general welfare on the one hand, and those who legitimately seek increased social services, health care, educational facilities and so on on the other.

They are not entrusted with the responsibility of finding a manageable track through the complex jungle of today's energy prices, inflation or unemployment.

Mr. Bradley: I wondered who they would get to make this speech.

Mr. Williams: In essence, I am afraid that I cannot relate to the motives of the members opposite, in presenting this resolution.

Interjections.

Mr. Williams: They seem to feel they are serving the public interest by attempting to chisel away at the operational efficiency of this government's various ministries.

An hon. member: What a joke.

Mr. Williams: With this, I cannot agree.

Mr. Roy: Because of the limited time we have, as one member of the Legislature I would like to underline and compliment my colleague from Rainy River who for these many years has doggedly followed this issue.

It is ironic that the previous speaker talked about this as a Liberal conspiracy to get certain information. Sure it is. There is nothing about having a policy. There is nothing about my colleague having a purpose as a member elected in Ontario to have open government and freedom of information. What is wrong with that? I think my colleague should be congratulated. I think he deserves the applause and support of all members.

As my leader has pointed out, the irony is that we have had a Conservative government in Ottawa for some five months which just yesterday brought forward a freedom of information bill. On the other side in this Legislature we have a government which, after some 37 years, professes to be an open government. It established a royal commission in 1977 really just to avoid making a decision on the issue.

The issue is not freedom of information, getting information; that is a step further in these polls. What my friend is talking about are public surveys made by a government, paid for at public expense, apparently for the benefit of Ontario, as the member for Oriole said. If that is the case, why doesn't the government release them? It is public information. What are you afraid of?

It is ironic when one looks at what has happened. As my colleague for Lakeshore said, it is ironic to have the member for Oriole in his Pavlovian—

Mr. Nixon: It means drooling.

Mr. Roy: —have that member lead off in the debate. What is sadder about the process is that he gets up there and reads out a statement someone has prepared for him. We could expect it of that member, but it was too much for him. He was smiling and laughing throughout his speech. He didn't have the guts to tell us that his members on the other side were going to stand up—he didn't have the guts to tell us.

Mr. Williams: A point of order, Mr. Speaker. At no time was I taking the remarks I made in this House frivolously or lightly. I was making them in all seriousness. What gave me cause for some—

Mr. Deputy Speaker: Order. That is not a point of order.

Mr. Roy: As one who has been around this place since 1971, the attitude of the government on this issue follows the attitude we have experienced.

You will recall, Mr. Speaker, we were trying to obtain information a few years ago about Ontario Housing—what they were paying for land, what the rationale was behind the decision. You will recall the somersaults on the part of ministers to avoid responding to our questions; to avoid giving us answers on such issues.

And it is part of the process of this government that goes a step further. Not only do they avoid giving us information, information paid for by the taxpayers of this province, but they advertise at the expense of the taxpayers. We keep hearing the jingles right now, "Larry Grossman, Larry Grossman." He is just like the president of Loblaws. He comes on and says, "Buy Ontario. Buy Canadian."

There is another practice on the part of this government and I think the member for Oriole said it well when he said it serves the interests of Ontario. That government over there has come to the conclusion that what

is good for the PCs is good for Ontario. That is the approach of the government. That is the type of arrogance that is going to come back and haunt them.

They would not even move a step. The nerve! The member says all of these polls are within specific programs. All of these polls, he said, serve and achieve positive ends. Well, the first point is if that is the case, tell us about it. Let us have the information.

Mr. Bradley: Share and share alike.

Mr. Roy: But, for instance, how can a poll called Survey on Political Reactions and Future Needs possibly be restricted to one specific program or one specific piece of legislation? These are the things we would like to know. The honourable member has come to the conclusion—and I quote the member—that "It serves the interests of Ontario."

The part that is the funniest—and today I thought the Premier fell right into it. He said, "We as bureaucrats, we as the executive in the government, are able to make a distinction." Once the poll comes in we say, "This is for the workings of the executive branch; we as Progressive Conservatives are not going to use this information."

Who are they kidding? When the government is prepared to hide information, when the goverment is prepared to use public funds to advertise, to try to make politics at the taxpayers' expense, is he trying to tell me they are not using these polls for the benefit of the PC Party in Ontario? Who is he kidding?

We can only come to that conclusion in view of the fact that they resist giving us the information. The only conclusion that is reasonable in the circumstances, protest as he will, is that they are using the information not for the best interests of the people of Ontario but for the best interests of the Progressive Conservative Party in Ontario. That is the only conclusion at which we can arrive.

I want to say I wonder when I look at the list, and I would say to my colleague from Rainy River that I saw it again—the initiative he has taken here to show that this government, during the period of time in question, spent half a million dollars for polls, polls that talk about surveys on current problems and issues. How well does that fit into a specific program? Polls such as Life in Ontario, as he has pointed out—where does that fit in within a specific program? They spent $60,000 on that poll.

Doesn't this government communicate sometimes with Joe Clark and the federal boys? They would be ashamed of him. He is making these people up in Ottawa ashamed. They are prepared to go a step further and release all sorts of public information which is used by government.

The part that is most frustrating, and I think it has been mentioned by my colleague from Lakeshore, is that here is a positive type of resolution. We talk about the democratic process. We talk about open government. The sad part of it is that if the members on that side, the individual members of this assembly, the members of the Conservative Party of Ontario, get up and block this motion again they will put another nail in the coffin of the private members' hour, of the supposedly open and democratic process of discussion in this House. Listening to the member for Oriole—that was the saddest part of all—it is obvious the word is out to block this resolution.

I think we should heed the call of the member for Lakeshore and say we will not participate in this process any longer. If they want to play it that way, we are going to block every motion. We are going to block every bill and every resolution that emanates from that side of the House. They are making a farce of the whole process by refusing to give us the information.

The government goes a step further. That is what is more insidious about its approach. It goes one step further. Not only will it not release the information, but it won't even allow an open and public debate and let all members vote according to their consciences on this issue. They should be ashamed of themselves if that is their strategy. I trust it is not, but I am afraid it is.

Mr. Samis: Mr. Speaker let me say at the outset that I share that same intense sense of frustration about what is happening to this private members' hour and the way all these bills are being hatcheted week by week on a continuous basis by the same side, when we try to have a free and open discussion when this was a major reform introduced to give back-benchers a chance to select and propose ideas for consideration that would be to the general benefit of the province. It has become a farce.

[4:00]

Listening to the arguments defending the position of the government by the member for Oriole, it reminded me of some of the idiotic and inane arguments offered by that gang of four that has been totally discredited—some of them have been in prison; all of them have been thrown out of office. I am referring to the Watergate crew of Nixon, Agnew, Haldeman and Erlichman. They had the same concept of defensive rights of the executive

to have cold power—not to have anything available to the public. It was their sense of almost a divine right. We found out the reason they were doing it. It was because they had something to hide and the truth did come out eventually.

In this situation I think we are talking about a most fundamental right in democracy—freedom of speech, freedom to know. I want to compliment the member for Rainy River on his bill. I know he has been fighting for the past three years on this item. I give him full marks for his dedication to the principle. I think the bill is one that deserves the support of every member in this House and I would suspect if we had a genuine free vote it would get unanimous support in this House. But obviously we won't get a free vote—the Premier possibly excepted.

As the member for Lakeshore has already outlined, we live in a society that is becoming saturated, if not over-saturated, with polls, possibly to the extent that democracy is being corrupted by the polls. But being as they are today, when a government is using taxpayers' money to take polls on people's attitudes, if the public is paying for the poll, the public has a right to know the results of the poll, via the Legislature, via the media. There should be no compromise on that principle whatsoever.

Who is kidding who? The government takes a poll on people's attitudes toward curriculum development, on any form of taxation, on health cutbacks, on government priorities, who is trying to kid who it isn't used for partisan political purposes by the people who take the polls? Obviously, the policies are tailored to suit the mood of the times. Obviously those polls suit and benefit the party in power. Obviously the opposition parties are being deprived of that. Obviously the people of Ontario are being deprived of the results of those polls and they have the right to know.

They say we don't have the right to know. We would be somehow interfering with the executive process. We would be interfering with the whole process of decision-making if we know those same facts. What a farce. What a travesty. What an insult to the people of Ontario. What an insult to every member of this Legislature.

And those government members have the gall to go out campaigning all winter and spring, defending Joe Clark and his program. They knew his predecessor, Stanfield. They knew that Jed Baldwin had been campaigning for the right in Parliament for the last five to seven years and they went out before the public and said, "This is our platform. Elect us and we will implement it." I give Clark credit and I give Baker credit. They have implemented freedom of information. Yet these members have the gall to stand up here and say they are opposed to that.

Who are they kidding when they say they are for it at the federal level but are totally against it at the provincial level? What hypocrites. What an insult to the voters, when they go before them and say it's okay for the feds to do it but we can't have it at Queen's Park. Oh, no, it would upset the whole legislative process. What a farce.

This bill speaks for itself in terms of its own logic and merit. I think the members on the other side are actually insulting the people who voted Progressive Conservative five months ago by refuting the principle they fought for—namely, freedom of information; namely, the principle that was introduced yesterday in the House of Commons by the leader and House leader of the federal Progressive Conservative Party.

Mr. Deputy Speaker: The member for Northumberland.

Mr. Wildman: Did you check this speech with Jed Baldwin?

Mr. Rowe: I don't know Jed.

Mr. Speaker, in rising to speak to the resolution we are considering today on the question of whether it would be a desirable move to publish the entire contents of various polls that have been conducted by the ministries—and I stress that word ministries—of this government, I should first of all like to address a note of congratulations to the government in Ottawa on the introduction yesterday of its freedom of information legislation. We have referred to this legislation earlier in the question period and since in this debate this afternoon.

I have not had the opportunity to examine the bill in detail, but to judge on the basis of news reports it appears to be well thought over. I think it represents a courageous and responsible stand for the new government to take.

Mr. T. P. Reid: One that we are not prepared to take in Ontario.

Mr. Rowe: This issue is a big one for nearly all governments in today's so-called wired world. On the one hand, we hear about the public's right to know and, on the other, we are warned that people are oversaturated with information.

An hon. member: We are wired?

Mr. Rowe: I didn't say that. I said we are warned.

People are said by some to be bombarded with so many facts and so much persuasive advertising and propaganda that they can no longer absorb it all.

An hon. member: Tory campaign literature.

Mr. Warner: You are talking about your propaganda.

Mr. Rowe: Some would claim that the independent judgement of many of our citizens is perhaps impaired by the constant stream of messages and, in particular, by subliminal signals and signs.

I am not an expert in this area, but it doesn't take expert knowledge for me or anyone else to see that there must be some truth in these generalizations. I am thinking in particular of our young people, those who are now absorbing ideas and forming their principles and values. I support very strongly indeed the recent statements made by the Premier, encouraging parents, teachers and, indeed, everyone in this province to inculcate a sense of moral responsibility in our youth. It is a very old idea and a very crucial one to our civilization.

Mr. T. P. Reid: You are supposed to wring your hands when you say that.

Mr. Rowe: Any discussion on the release of government information to the public must be conducted with such principles in mind. The whole area of the public's right to know and freedom of government information is a complex issue and one in which some of the basic ideals of democracy come into direct interface with such notions as responsibility and discretion. That is why I am pleased to see the federal government measure. It appears that they are acting from a perspective which attempts to balance the two ideals of freedom and responsibility. That is what I would urge upon all the members of this House as well.

I honestly believe that we have a solemn duty to our electors and to the generations to come in Ontario to move very carefully and thoughtfully indeed in considering any motions or resolutions on the release of information that may be subject to misinterpretation or misuse.

This government is not opposed to the release of information as a general rule and I believe our record indicates that very clearly.

Mr. T. P. Reid: Specifically; you know specifically.

Mr. Rowe: As a matter of fact, I might refer the House to the work of the Ontario Commission on Freedom of Information and Individual Privacy which has been referred to. This commission has been considering these questions for about two years and has heard briefs and representations from a broad range of interested individuals, expert and non-expert alike.

The commission has been operating under the capable chairmanship of Dr. D. Carlton Williams. I understand that Dr. Williams is presently preparing his report on the commission's hearings, which will be presented in the relatively near future. I would urge the House to wait until we have been able to consider Dr. Williams' report before acting on any resolution to publish information which the government has deemed it in the public interest to keep confidential.

I must concur with my colleague from Oriole that the resolution we are considering at the moment presents a number of serious problems. If this assembly moves to order the release of the data from polls undertaken by ministries in the discharge of their duties, every shortcoming of the well-known problem of statistics quoted out of context will probably become manifest—

Mr. T. P. Reid: You shouldn't table anything according to that kind of logic.

Mr. Rowe: —and in a way that would not only be unfortunate for this government, but for the citizens of the province as well.

My colleague has patiently and thoroughly explained some of the consequences of such irresponsible action and I will not burden you with repetition, but I certainly want to underscore what the gentleman said. I absolutely cannot condone any measures urged upon this government which would have the effect of manipulating public opinion.

An hon. member: That is incredible.

Mr. Rowe: It is a basic tenet of my philosophy that the free individual operating on the basis of his or her independent and considered judgement is the cornerstone of our democratic system.

We, as leaders in and servants of our society, must try in every possible way to foster thought, not confusion and not manipulation. The public's right to know must be tempered by the necessity of confidentiality. We have a duty to respect the confidence not only of the government, but of those individuals and organizations that may be quoted or referred to in a survey.

As everyone in this House fully realizes, many surveys need expert analysis and interpretation.

Mr. T. P. Reid: Table the analysis with them then.

Mr. Rowe: A survey composed of statistics can be misinterpreted by uninformed or biased individuals for their own political ends.

Interjections.

Mr. Rowe: I think I have seen some of that.

Mr. Warner: You would put Richard Nixon in charge of the crown jewels.

Mr. T. P. Reid: Did you read that before you came in?

Mr. Rowe: Oh yes. Would you agree with that?

In many cases—and I share the concern of other members of my party that this may very well be one of them—the opposite of secrecy I point out is not publicity or public information but rather propaganda.

Mr. Roy: You people are experts on that—propaganda.

Mr. Rowe: While fully recognizing the people's right to know, we must act on the public interest, as our voters have entrusted to us to do, and avoid this type of situation at all costs.

Just for the record, I would like to repeat an important point that was emphasized by the Premier when this question of releasing information from polls was raised last spring. The charge made by the opposition that our party has used information obtained in polls conducted by ministries is totally untrue.

Mr. Wildman: Prove it.

Mr. Rowe: We conduct our own opinion polls when required for political purposes. This operation is completely separated from the operations of government. While I am sure the officials of this government make wise use of the material obtained in surveys and polls conducted with respect to programs, partisan activities are entirely separate and apart.

The whole insinuation we are somehow conducting the business of government by polling and second-guessing the public consensus on any given issue is an entirely repugnant idea. It is perfectly responsible for ministry officials to try to gauge what measures will be necessary to ensure programs will effectively serve the people for whom they are intended.

Mr. T. P. Reid: You're contradicting what Williams said.

Mr. Rowe: It is a desirable thing for them to measure how well they are doing, but it would be quite irresponsible for this government to base policies and bills on whether or not they are judged to be likely to win public approval. There is such a thing as right and wrong. I take pride in this government's decisions. I believe we have served the people of Ontario faithfully, not by attempting to out-guess the public at every turn, but by heeding the mandate given to us at the time of the election.

In keeping with that trust, Mr. Speaker, I'm afraid I must exercise my judgement on behalf of those who elected me to serve in this assembly and reject the resolution before us as an attempt to solve a complex problem on a piecemeal basis, as a potentially harmful move to promote.

I conclude my remarks by inviting all the honourable members to consider the reasons, conclusions, and recommendations I am sure we can expect from the Williams commission.

Mr. Van Horne: Mr. Speaker, it seems whenever I have the opportunity to speak in private members' hour I preface my remarks by underlining my feeling of absolute disgust with the way in which private members' hour is treated by the government.

Mr. Sweeney: Mistreated.

Mr. Van Horne: Time and time again we are either stonewalled or blocked. The member for Lakeshore made reference to this. The member for Cornwall made reference to this. The member for Ottawa East made reference to this. I really think it's time we considered doing away with this charade, because it is nothing more or less than that.

Now having prefaced my remarks with that terribly sad observation, let me say a few words in support of my colleague's resolution. We have heard from practically everyone in here about the rights or lack of them that citizens have and the duties and obligations ministries have, but let me ask one question of those who would dare to block this: What about members' rights?

Do the members of this Legislature have no rights any more? Why did we go through that exercise, in 1977, 1975, and 1971, and earlier on, to be elected when we have no rights unless we're members of the government?

Mr. Riddell: Davis never did believe in the parliamentary process.

Mr. Van Horne: The question that begs asking further to that is: How heavy is the mantle of government? Is the mantle of government so heavy that government has lost sight of its prime function? Is it not to govern for the people? Is it not accountable for its actions through the parliamentary process? How is it, then, that we are here today, as we have been on earlier occasions,

discussing resolutions relating to freedom of information or disclosure of information?

[4:15]

My colleague the member for Rainy River suggested there was some reference to this theme in the speech from the throne. There was reference there too to citizens' rights. Again, I have to ask you, what about members' rights? That's why we keep harping away at this theme. For the government to have the audacity to suggest, through the Premier or through the member for Northumberland, that we can't act on this because the Williams commission is going to report is nothing less than absolute hypocrisy.

Don't we have the obligation and duty as members to take some action? Don't use the Williams commission as an excuse for inaction.

This isn't the first time, as I suggested earlier, that we have asked for some kind of disclosure. I had the pleasure of presenting a private member's bill in the springtime seeking disclosure of information on cost of government programs; it was, of course, naivety on my part to think it would go any further, because it was blocked. We have seen this happen time and time again.

Mr. Roy: They blocked it, eh? They systematically undermine democracy.

Mr. Van Horne: The member for Oriole made the observation that it would seem we are chiselling away at the authority of government. I would submit to you that comments like that make Idi Amin look like a rank amateur. In fact, what we are doing, it seems, is nothing more than trying to chisel away at the cloak of government secrecy. That's exactly what we are trying to do. Isn't it a shame that we have to chisel away so that we might be better legislators, so that we might know?

In the government's opinion, haven't we got the ability to consider facts and make some decisions? The obvious answer from those in government is, "No; we'll get it, we'll consider it and we'll tell you what to do." If that's the case, this resolution has all the merit in the world. I hope my few words will underline this one thought: that we do have some rights as members and it's darn near time the government remembered that; because quite frankly we aren't going to stay in the dark forever. We, too, are prepared to revolt; and we will. Take that under advisement, because it is important that we know so we can properly govern.

Mr. Williams: Point of order, Mr. Speaker—

Mr. Deputy Speaker: What is your point of order?

Mr. Williams: I was misquoted by the last speaker. He stated that I was critical of the opposition for suggesting they were attempting to chisel away at the operation of government. I did not say that, Mr. Speaker. I said it seemed they feel they are serving the public interest by attempting to chisel away at the operational efficiency of this government's various ministries.

Mr. T. P. Reid: There's no such thing, to begin with.

Mr. Williams: That is substantially different and importantly different, Mr. Speaker.

Mr. Deputy Speaker: The honourable member has made his point.

Mr. Warner: Mr. Speaker, I rise in support of the ballot item put forward by our colleague from Rainy River. I reflect back on two instances in this House, two of the very few instances in this House quite frankly, which I felt were dealt with by the members with the most pure integrity.

One was over a bill—I think it was the first private member's bill put forward by the member for Parry Sound (Mr. Maeck) dealing with what was called the right to die.

If I recall the debate clearly, it was a heated debate and an intelligent discussion. There was a three-way split on the vote. Each of the parties split as to how they were going to vote on the bill.

It was probably the most open kind of vote we've had around here. It clearly expressed the intentions of individual members. I appreciated the entire exercise.

The second instance I recall was over the seatbelt legislation. I would think if someone had run a public opinion poll it would have suggested that 125 members would vote against the bill. Yet the members had the courage to put forward their own thoughts, which I think is an integral part of representative government. The members had done the research necessary. We had an intelligent debate on the seatbelt legislation and when it came to the final crunch, again there was a three-way split. Each of the members voted according to his or her conscience and did so in good faith.

Those were two instances I recall in which I think this Legislature rose to a height it is not accustomed to.

I contrast that with the remarks made by the member for Oriole and I'm appalled; quite frankly, I'm appalled. I think the member is misguided. The government can run all the public opinion polls it wants. I hope they would have the courage to introduce legis-

lation and to set policy based on their principles, based on the kinds of things they believe in, and which may or may not coincide with public opinion. I would hope they have the courage to do that.

Of what consequence could it possibly be to the government to release the information that was garnered at public expense? I think the member for Oriole misses the basic point brought forward by my colleague from Rainy River. Public money was used to survey the public. Surely, then, the public is entitled to know the results of that survey. That seems to be a pretty basic democratic principle.

The government then is quite free to either accept or reject the opinion of the public and set its policy in conjunction with the principles it believes in. I would hope any other party in power would do the same thing.

I am appalled by the attitude of the member for Oriole, who completely disregards this kind of principle; who would turn his back on the kind of elevated discussion we had here over the right to die bill, the seatbelt legislation and other items. I'll serve notice that I intend, within my caucus, to enter into a discussion as to how we proceed with the private members' hour. If it's going to be a charade, I don't intend to participate in it. I don't need to waste my time putting forward and participating in intelligent discussion if the end result, week after week, is simply to have the government guillotine every opposition bill. That's nonsense.

The government may as well understand now that we will have a full discussion in our caucus. I assume the same will occur in the Liberal caucus. Then we'll see whether private members' hour will be continued or not.

In conclusion; as the Speaker knows, this bill is going to be guillotined. I would like to express my personal wishes to the member for Rainy River, who has spent a great deal of time over the past several years in pursuing this topic. I applaud him for his efforts and I only wish his bill would be passed so we could get our hands on those public opinion polls and be better informed members as to what the public thinks about various policies that are brought forward by this government.

Mr. T. P. Reid: Mr. Speaker, I can't believe the fatuous comments made by the member for Oriole. His comments, and those of the member for Northumberland, completely dismayed me, although no one on this side is surprised that the government is going to block this resolution.

I can't say the Premier misled us this afternoon during question period, Mr. Speaker, but I would ask you to cast your mind back to his answer to the question of the leader of the Liberal Party when he asked, "Are you going to allow this to be a free vote? Are you going to allow this to be a private members' hour? Will everybody express their opinion by standing in his or her place?" The Premier said, "We always do that, certainly." And yet the member for Oriole comes in with a speech written by his researchers; the member for Northumberland comes in with a speech written by his researchers—I might add, speeches that neither of them bothered to read before they came in here.

It is obvious to all of us that, in fact, this vote is orchestrated by the government and we're not having a free vote. I can only say shame on the member, shame on the government and shame on the party he represents.

I couldn't believe the comments of the member for Oriole when he said, "We can't give the members that information. They wouldn't know what to do with the facts and figures. They would just confuse them. They might know what we're doing over here. The public has too much information now; my God, we don't want to add to that. There is just a barrage of information and the public isn't able to sort it out."

I have seldom ever heard a speech, certainly not in my 12 years here, so completely opposite to the principles of democracy. It's just incredible.

I say this most sincerely to the member, that he reread those words he just read that were written for him, and I hope that tomorrow he will get up and apologize for them.

The silly things the member said, Mr. Speaker. He said: "You can see the subject matter of the polls. You can tell what's in them by the subject matter." It's like saying here's a book, the title of which is Gone with the Wind. I suggest the member might pursue that particular topic, take advice from that and be gone with the wind. To say you can tell by the title what's in it is fatuous nonsense.

He talked with great glowing comments about the freedom of the press, and the freedom of the opposition, except he doesn't give us the tools to do the job.

On the freedom of the press, Jonathan Manthorpe, a well-respected columnist now in London with the Star, wrote, "Davis Waffles on Polls." I won't tell you what he said. In the Globe and Mail, "MPP Urges Forcing Disclosure Polls." Hugh Winsor, respected columnist for the Globe and Mail wrote, "Wobbly Stance on Polls." And an-

other Hugh Winsor column, "Suspicion about Polls." I want to read you what he said:

"Until the Ontario government decides to release the results of a half million dollars worth of public opinion polls it has done, we are left with no other conclusion than that the Conservative Party is using taxpayers' money to do what political parties should pay for themselves."

That's not a member of the opposition speaking. I would think, and I hope the member would agree with me, that Mr. Winsor is as objective a columnist as we have in this institution; and that is his opinion, not mine; and not that of a member of the NDP.

I read some of the polls that have been taken. I want to read some more. Treasury, Economics and Intergovernmental Affairs—this goes back a few years: Ontario Economy and Development: A Quantitative Consumer Perspective, Phase I, August 1975—the cost $50,000 paid to Goldfarb Consultants;

Ontario Economy and Development: A Quantitative Consumer Perspective, February 1976—$89,000 to Goldfarb Consultants.

[4:30]

If I was really suspicious I would think that was taken just before the 1977 election. I recall one of my constituents coming to me and saying, "I'm doing this survey for the government. It must be being done by the Conservative Party because the questions are very political."

I say to you that we're trying to focus in on one aspect of freedom of information and full disclosure; that happens to be these government opinion polls.

Mr. Deputy Speaker: The honourable member's time has expired.

Mr. T. P. Reid: If I may conclude, obviously the government is going to block this. I can tell members that in my position as chairman of the public accounts committee, I'm going to put to that committee the resolution that we drag every cabinet minister who's responsible for any of these polls before that public accounts committee and make him justify those expenditures of the taxpayers' money in Ontario.

Mr. Deputy Speaker: That completes the allotted time for debate on ballot item 29; it will be dealt with further at 5:50.

ONTARIO WATER RESOURCES AMENDMENT ACT

Mr. Germa moved second reading of Bill 125, An Act to amend the Ontario Water Resources Act.

Mr. Germa: I'll leave five minutes for a rebuttal at the end, Mr. Speaker.

The bill I've presented to the Legislature can hardly be refused by any member of this Legislature if he appreciates a good, clean, cold drink of water. That's what the bill is about.

Mr. Kerrio: Don't you believe that.

Mr. Germa: Anyone who can answer yes to the question—"Do you appreciate that?"—has to vote for this bill. There are serious discrepancies in the present legislation which might preclude us, in the future, from being able to enjoy a simple thing like a good, clean, drink of water.

Mr. Roy: I'll tell you, Bud, I wouldn't put my money on the Tories.

Mr. Germa: The bill is a very simple piece of legislation. All it asks the government of Ontario to do is identify sources of municipal water supply as they presently exist, as well as those which might come on stream, and identify them by name; and secondly, ensure that no mining or staking takes place in those water bodies which would be designated on that list.

It's not as though we're going to wipe out many bodies of water. I'm sure there are only 500 or 600 lakes out of the hundreds of thousands of lakes that we have in Ontario which would be affected, because there are not that many municipalities in Sudbury to use up all of the lakes available to us.

That's what the bill asks for; protection from the activities of mining companies when they attack a municipality.

The government's response to this question has been that there is plenty of legislation on the books; in the Environmental Assessment Act, the Ontario Water Resources Act and the Environmental Protection Act. I'm going to present a case which will prove to members, without doubt, that that is not correct. The experience of one municipality will show you, Mr. Speaker. I intend to give you the experience of the municipality of Sudbury.

Sudbury has long had a problem with water supply. There was one point in time when we used Lake Ramsay. But due to the lack of control by this government on that part of the lake which was not in the regional municipality, the nutrient level came up too high, with the result that every summer the lake would bloom. We would have to dump chemicals into the lake to kill the algae and consequently we ended up with water that no one could drink.

After much serious consideration, a lot of studies and expenditure of a lot of money,

we did put in a municipal water supply system to draw from Lake Wanapitei. Lake Wanapitei is located about 28 kilometres north of the city of Sudbury. We spent about $9 million to $12 million putting in a pipeline, pumping stations and plants to clean the water up. We just got the system completed whe, lo and behold, a dark cloud appears on the horizon, the government of Ontario.

Mr. Laughren: Leo Bernier.

Mr. Germa: Led by the Minister of Northern Affairs (Mr. Bernier).

If there is a hero in this story, I have to give credit to Mike Solski, the vice-chairman of the regional municipality of Sudbury and a former Liberal candidate. There is no partisanship here in giving him credit. It was Mike Solski who, as vice-chairman of the region and as mayor of Nickel Centre, heard that a mining company was nibbling around Lake Wanapitei. They wanted to drill for uranium in the bottom of this lake which we had just tapped into. Some geological survey showed them a strip of uranium-bearing ore which runs from Elliot Lake, 110 miles, right through the bottom of Lake Wanapitei.

They have not yet drilled the first 100 miles, but this mining company wanted to drill right in the bottom of our water supply, Lake Wanapitei. Consequently, the vice-chairman was quite concerned. He alerted the Ontario cabinet and the cabinet reacted. They said there was a freeze on Lake Wanapitei and in fact they were going to appoint a committee; the old ruse this government uses. When you don't have an answer, appoint a committee.

The committee sat. It was appointed by the Ontario government. It included governmental officials from the Ministry of the Environment. It included the regional chairman, the vice-chairman, the mayor of Sudbury and a couple of citizens of Sudbury. They made a recommendation to cabinet that there should not be any development, commercial or industrial, in the Lake Wanapitei watershed without the full benefit of the Environmental Assessment Act.

That recommendation went to the cabinet in December of 1977. This argument has been going on now for some three years now. They got the recommendation in 1977, the cabinet hurled it in the garbage can and issued permits to drill in Lake Wanapitei. After sitting for a year, and with this committee making such clear recommendations, the cabinet approved the drilling permit.

Every member of this House doesn't understand how they do this in northern Ontario. The drilling is done during the wintertime because the mining companies use the ice layer as their platform. The drilling then has to be done between January, February and March when the ice is at its strongest. So we are running into time here.

In December 1977 the cabinet said to go ahead and drill. In January 1978 Hollinger Mines announced plans to drill in Massey Bay in Maclennan township on Lake Wanapitei. They were going to drill that section of the lake.

In January 1978, shortly after that announcement by Hollinger, the regional council of Sudbury was very perturbed. It came to the council for their consideration and they voted 19-nothing to fight the cabinet of Ontario. That is how the resolution was worded. Support for that position came from a bunch of people—the Lake Wanapitei Home and Campers Association; Raeside-Balfour council; Nickel Centre council; the Indian Reserve No. 11, which is on the lake; the anglers and hunters associations; and the Association of Counties and Regions of Ontario.

The regional council was very concerned that they received no response from cabinet so they decided to hire a lawyer to speak to the government of Ontario. He spoke to the deputy minister, Dr. Reynolds, with no results.

A citizens committee was formed. We tried to get in to see the Premier (Mr. Davis). He closed the door in our face. The people of Sudbury then had no recourse. They had no place to go except to the courts. That is just not satisfactory.

They went to the courts on February 17, 1978. An eight-day injunction was obtained from Judge Smith to protect the lake from Hollinger Mines.

The interveners in the case were the regional municipality of Sudbury on behalf of the 160,000 citizens in the region; Norman Recollet, the chief of Indian Reserve No. 11, who was protecting his riparian rights; Laurie St. Jean, a citizen of Sudbury and a consumer of water; and Garry Larrett, an owner of land on the lake who also has rights to the shoreline. The defendants in the action were Hollinger Mines Limited and their contractor Bradley Brothers Limited.

This was only an eight-day injunction. They went back to the Supreme Court of Ontario on February 25, and the Honourable Mr. Justice Garrett at that time agreed to continue the injunction to a further hearing date some time in April. His statement at the time, and the reason he granted the extension of the injunction, was there was a real

hazard of irreparable damage if the mining company was allowed to explore Lake Wanapitei.

The legal points used in getting this extension of the injunction were that Hollinger Mines Limited has determined there is an ore body in the bottom of the lake and consequently, the drilling is just the thin edge of the wedge.

It's something like the Arab and the camel thing. Once they drill and determine there is an ore body, their full intention is to exploit it and consequently ruin the water supply. We know you cannot develop an uranium mine in a watershed without wrecking the watershed. We have ample experience from the Elliot Lake area where the uranium mining companies have destroyed the whole Serpent River water system for 110 miles from Elliot Lake right into Georgian Bay. We know that; we know you can't go near uranium without ruining everything.

The second point used, and the responsibility for this is imposed by this government, is under the Regional Municipality of Sudbury Act the council of that region is responsible for supplying potable water to the citizens thereof. Conversely, each citizen who uses the water is in contract with the municipality. If the municipality, the region, fails to supply and meet that contract, then every citizen in the region could, in fact, sue the regional corporation for not supplying them with the water and living up to the contract.

The region had a real stake in it. If the region delivered poisoned water to them, they could sue the regional municipality. That motivated the regional council to go for the injunction.

Not only that, but the year was moving on, and if we could hold them in the courts until the ice went out we were going to beat them. This is how you run this railway. You go to the court and you drag your feet until the ice goes out.

Why are we so concerned about uranium mining in this water body? First of all, we all know uranium can break down into 14 elements. Three of them are very dangerous; they are toxic and radioactive: Radon gas, we know what that is; radium 226; and thorium. All three of these elements are soluable and dispersable in water. We also know none can be ingested safely.

Thanks to the weather—as we know, in northern Ontario spring comes in March—the ice started to rot and they could no longer use this ice as their platform for drilling. So lo and behold, Hollinger Mines said, "We quit; we've been beaten by the weather and we've been beaten by the foot dragging in the courts." Everybody was pleased Hollinger quit.

At that point in time the regional chairman, in a public statement to the council, said, "We must press this government to take action so this will never happen again, because every time the ice freezes we are under pressure from mining companies, or we could be." Even to this day we have no protection, except to hold them in the court and hope the ice goes out.

It was at this time I formulated the bill that is being presently considered. I circulated it to almost every municipality in northern Ontario. One municipality rejected it—I still haven't figured out why—and that is the municipality of Timmins. Those municipalities that supported it represent a large area of northern Ontario. Each and every one of their councils passed a resolution in support; such as councils in; Foley township, Temagami, Elliot Lake, Macdonald, Meredith, Onaping Falls, Assiginack, Balfour, Armour, Parry Sound, Kirkland Lake and Kapuskasing. It goes on and on. Everybody agrees; they are afraid of the mining companies when their municipality comes under attack.

[4:45]

Does anyone think it has died down? It hasn't died down. We started this boondoggle in 1976, and as late as March 1979 the council of Nickel Centre passed the following motion: "The town of Nickel Centre urges the Ministry of Environment to pursue legislation prohibiting mining and/or any type of industrial activity in or on Lake Wanapitei which would jeopardize the quality of the lake as a source of potable water for the town of Nickel Centre and the city of Sudbury."

They sent that to our friend, the Minister of the Environment (Mr. Parrott). What does Hopeless Harry do about this? He goes right back to the statement of 1976 when they said: "We have plenty of legislation on the books in the Environmental Assessment Act, the Ontario Water Resources Act and the Environmental Protection Act." All of those acts were in place prior to 1976, before this thing started. The loopholes in those acts are so big that Hollinger mine got right in and almost got into our water supply. We have a hazard in northern Ontario which this bill, I believe, would protect us from. I don't know how any member can rationalize staying away from it.

Hon. Mr. Bernier: Mr. Speaker, I rise to speak on Bill 125. I am familiar with the incident that I knew the honourable member for Sudbury would raise. He lays the strength

of his case fully on one incident that occurred in his riding.

The problems at Wanapitei, as the honourable member indicated, were a political issue at that time. It's a very emotional issue, there's no question about it. I don't think there's a member in this Legislature who would not support the member for Sudbury in his efforts to have a good water supply for any community in this province; not only a good water supply but an abundant one.

The thrust of that effort is commendable and certainly I want to support him in that. However, I think there is sufficient legislation in the statutes of this province to deal with the matter to which he refers.

One can list a number of arguments why this happened at Wanapitei. The honourable member did it very well. But not only do we have the Ontario Water Resources Act and the Environmental Protection Act, but there is another act. He made no mention of the Public Lands Act which is administered by the Ministry of Natural Resources. Under it, mining exploration or things of that nature can be controlled through conditions stated on the work permit.

The protection is there for the public of the province, not only in northern Ontario, an area where we have something like 250,000 lakes, but throughout Ontario. The bill itself is something that, in my opinion, is redundant and would not be workable. When one moves into southern Ontario, with such lakes as Lake Erie, where we do a lot of mineral exploration, gas exploration and that type of thing, this bill is not worded in a way that would protect against those kinds of things.

I think the thrust of the bill itself may in some instances curtail mineral exploration. Because we explore for minerals in some of these areas doesn't necessarily mean there will be a mine in the middle of Lake Wanapitei. That's the inference some would leave.

There are a number of sections in these various acts. I am going to put on the record the thrust of those sections, providing a very detailed explanation of the various sections of those acts, the Ontario Water Resources Act and the Environmental Protection Act.

Under the Ontario Water Resources Act we have three sections that should be referred to. The public will be reading these comments in the debates of the Legislature so I would like to put them on record in a very formal way to make sure there is no misunderstanding.

Section 32 of the Ontario Water Resources Act deals with water quality. It makes it an offence for any person or municipality to discharge or deposit any material of any kind in the water or on the shore or bank of a watercourse or waterbed or in any place that may impair the quality of the water. On summary conviction, the offender is liable to a fine on first conviction of not more than $5,000 and on each subsequent conviction to a fine of not more than $10,000. Each day of contravention constitutes a separate offence.

Section 36 allows a regional director to define an area that includes a source of public water supply to provide protection for it. This section can be used to prohibit swimming or even bathing, or the deposit or discharge of any material that may impair the quality of water, or any acts that would reduce the amount of water available unduly within the public water supply system. On summary conviction a person guilty of an offence is liable to a fine of not more than $1,000 or to imprisonment for a term of not more than one year, or both. Section 36 could be used at the request of a municipality to protect its source of water supply. It is a very important section.

Mr. McClellan: Was Hollinger exempted from all these acts?

Hon. Mr. Bernier: Section 37 of the Ontario Water Resources Act states very clearly that this regulates the taking of water and, except for the exclusion of domestic or farm uses, requires any person taking more than 10,000 gallons of water in a day to obtain a permit issued by the director of the ministry.

Mr. Wildman: They are not taking water, they are drilling through it.

Hon. Mr. Bernier: The director may issue, refuse to issue or cancel a permit, and may impose such terms and conditions in the issuing of a permit as he considers proper.

This section also covers the taking of water by means of wells, surface source of supply; and structures or work constructed for the diversion and storage of water. It allows the ministry to regulate water use and prevent interference with community water supplies. I repeat that it prevents interference with the community source of water supply.

Mr. Wildman: That's irrelevant; they do it.

Hon. Mr. Bernier: Under the Environmental Protection Act, which is complementary legislation, protection is provided here to preserve environmental quality and to provide for the control of operations which may present a hazard from contaminants added to, or emitted or discharged into any part of the natural environment by any person or from any source.

A director of the ministry may issue a control order, in accordance with section 6 or section 70, to limit or control the discharge

of the contaminant or stop the addition, emission or discharge. The control order can set out procedures to be followed in the control or elimination of the contaminant or call for the installation, replacement or alteration of equipment designed to control or eliminate the contaminant.

There we have some examples of sections of certain acts; three acts in particular, the Public Lands Act, the Ontario Water Resources Act and the Environmental Protection Act. I think something the members of this House would not want to do is to add further to the confusion of having duplicate legislation, contradicting legislation or overlapping legislation when trying to correct and prevent the things to which the honourable member for Sudbury has made reference.

In essence, the acts we have there are very appropriate. They have the teeth the honourable member wants our control measures to have. They provide the necessary controls with regard to conviction. It is well spelled out; it is as clear as anyone would want, in this province, to make sure the water supply is adequate and is protected. That is what all of us want to assure the people of the province is correct, and it is.

So I say to you, Mr. Speaker, this bill is redundant. It is certainly not necessary and I will find some difficulty in supporting it, having in mind the fact that we have sufficient legislation on the statute books now to look after the fears the member for Sudbury may have.

Certainly I share his concern, but I have to say to him that I think he should be commended for bringing a very important issue to light, because it gives us an opportunity to clear the record once and for all, to put on the record the fact that the protection that the people of Ontario really want is there, in place, and certainly will be administered having those fears in mind.

Mr. Bolan: First of all, Mr. Speaker, I would like to say at the outset that I and my party will be supporting this bill for reasons I will outline in a few moments.

However, before speaking on the reasons for endorsing this bill, I would like to mention that I noticed a feeling of unease in the Legislature this afternoon. It's sort of like a festering sore. I think it emanates from the fact that this particular government is once again demonstrating what is happening to private members' day.

Mr. Kerrio: They're phasing it out.

Mr. Bolan: If a government is going to set up the ability of individual members of this House to bring forward bills to be debated, to bring to the attention of the public things that are very much in issue in the province today, then the least the government of the day can do is to consider these bills properly and not to do what it is going to do this afternoon, which is to bring out the 20 right guards to stand up and block the legislation.

I merely say this because, as I say, I was sitting on the other side with some friends of mine and I noticed an uneasiness in the Legislature, a feeling that the members on the opposition side are getting fed up with the attitude of the government towards private members' bills.

With respect to this particular act, I might say also I am disgusted by the fact that it has to be left to the opposition to bring forward a bill to point out to the government what it is doing wrong. This type of legislation should have been in place a long time ago.

We know, although the intentions are very good, that nothing is going to come of it. I'll tell you why nothing will come of it, Mr. Speaker. There are two reasons: They won't support it because, one, it's going to work and, two, it doesn't cost anything. Those two features alone are enough for that government to defeat anything that has any type of common sense.

Incidentally, I might point out to the member for Sudbury (Mr. Germa) that North Bay did support the resolution. Something else about North Bay, which really is unique in the province, is that it is one of a handful of lakes that do not have filtration systems for their water. The only thing that is added to Trout Lake, which is our main source of water, is fluoride for dental care. We have one of the very few lakes in Ontario with pure water, and it is because of the good management of the city of North Bay itself that this has taken place.

As far as the bill itself goes, reference has been made by the Minister of Northern Affairs to the fact that three other acts are supposedly in place in Ontario to control this situation. Obviously they don't work, because, if the three acts referred to by the Minister of Northern Affairs did work, then the situation which we saw develop with respect to Hollinger Mines would not have taken place at all. If ever there was proof that it didn't work, that's it.

With respect to the first act mentioned by the Minister of Northern Affairs, the one called the Ontario Water Resources Act, he referred to section 32. Now, as the minister knows, section 32 refers to the discharge of polluting material. What we're trying to do is to prevent the pollutant from getting into

the water. We're not just interested in chasing some poor driller who may be 2,000 miles away after the deed has been committed. We're trying to prevent the pollution from taking place.

[5:00]

I remember reading in our local newspaper about the situation which developed in Wanapitei. I remember the action of the government—or the inaction of the government. I don't blame the member for Sudbury for standing up in this House and presenting this bill because I think above everything else that demonstrates this government has no intention of going beyond its present moribund acts to try to improve the lot of many people in the province of Ontario.

You know, water is getting more expensive. What may be a good body of drinking water today may not be so tomorrow if some of the things we are trying to prevent do in fact happen. If we destroy these bodies of water which are adjacent to our municipalities, we will have to go further and further to get our water. The Minister of Northern Affairs knows full well the high cost of transporting water; so all the more reason we should look very closely at this type of legislation, at this proposed bill.

As I said earlier, I am sure it is not going to take place; the Minister of Northern Affairs has already let it be known what the intentions of his government are. As I said earlier also, it is indeed a sad day.

The one shortcoming I see in the bill is that it refers only to the actual exploration of minerals through that body of water. I am sure when we form the government similar legislation will be introduced, but it will also address the situation where development is taking place on the shores of a lake and try to prevent the pollution from the drills themselves getting into the lake.

I don't know how many here have ever worked on drills before; I am sure the member for Sudbury has and I am sure some of the other members have as well. The pollution that comes from a drill is quite excessive, particularly when the work is being done on the ice. We know what that can do to the lakes and to our water. This is all the more reason for this type of legislation to be put into place.

As I said earlier, it would be so simple. You go to the existing municipalities and ask, "What are the bodies of water you use for your consumption?" The lakes are identified; they go into a schedule. Then for a Hollinger, an Inco, or whatever company may come along and wish to drill on that lake, it is a very simple thing to turn a page and find out whether or not that lake is listed in the schedule. The next thing to do, even if it is listed in the schedule, would be to have a director to whom the matter could be referred.

I realize, Mr. Speaker, that this appeal to the jury is falling on deaf ears. However, members can surely realize how, with the help of a director, those interested could find out just what would happen. What are they drilling for? How long are they going to be there? There can be all kinds of things that can be done by a director to determine the feasibility of the case. It is not a question of trying to block it; it's a question of trying to determine whether or not it can be done safely.

I as an individual support the bill, as does our party. However, I am afraid it will die the same unfortunate death we have seen so many other bills die in this Legislative Assembly.

Mr. Wildman: I rise in support of this bill, presented by my colleague the member for Sudbury. I want to congratulate him for bringing this matter to the attention of the House and for having been able to garner as much support from as many municipalities across the north as he has. It is obvious that the present government is unwilling to deal with this problem.

I would like to make some comments in response to remarks made by the Minister for Northern Affairs when he was speaking on this bill. He went to some length to talk about the Water Resources Act and the Environmental Assessment Act and indicated that they were effective, that there were effective controls under those acts that would make this bill redundant.

Mr. Kerrio: That's why we're drinking bottled water.

Mr. Wildman: If that were the case, we wouldn't have the problems we've got in Serpent River area right now.

The minister during his statement said that this was really just a response to a local matter relating to Sudbury and Lake Wanapitei. I need only remind the minister that at the time of the latest debate and controversy over Lake Wanapitei there was a similar debate going on in Elliot Lake. There was a company that wished to drill in Elliot Lake, through the ice. That body of water produces the drinking water for the town of Elliot Lake.

Again, it was only the opposition of local people that prevented it. I want to pay tribute especially to the United Steel Workers of America and their staff rep, Homer Seguin, for his work in preventing this government

from allowing at Elliot Lake the same kind of drilling as was proposed at Lake Wanapitei, and which was also opposed by the people there.

The minister says the pollution of the Serpent River system which has meant that the native people in the community of Serpent Lake cannot use their water is not the result of drilling. I'll accept that. It's the result of the mining operations and the tailings and so on.

But I should remind the minister that at the time of the so-called experimental drilling at Elliot Lake there was oil pollution in that water. That was brought to the attention of the provincial government. I'm talking about very recently.

The minister's reference to lakes in southern Ontario like Lake Erie, where there are drilling operations going on, is evidence that he hasn't really read the bill.

Mr. Kerrio: They didn't have to wait until winter, they could stand right on the water.

Mr. Wildman: Section 2(3) states very clearly: "The director may, in his discretion, refuse to issue or cancel a permit, may impose such terms and conditions in issuing a permit as he considers proper and may alter the term and conditions of a permit after it is issued."

According to this bill it would be quite possible, if considered in the public interest, for drilling to take place as long as the company lived by the terms and conditions given by the director as set forth in the bill.

I submit that if we had all of the protection the minister claims we have in the Public Lands Act, the Water Resources Act and the Environmental Assessment Act, we wouldn't have the problems we face right now in Elliot Lake.

I want to refer to the Environmental Assessment Board's report. In that report they stated it was a result of the dumping of radioactive wastes. I remind the minister this is done under the aegis of the Environmental Assessment Act.

They state: "Too much radioactive waste is going to be produced with the expansion" —they're talking about the expansion of Elliot Lake as a result of the Hydro contracts—"and no one is planning to do enough about it. The mines should be compelled to experiment with backfilling, literally dumping their hazardous wastes back underground in mine tunnels that have been worked out." This is the important point. "Runoff from the ponds and the gradual escape of dangerous wastes under the ground has polluted nearby streams and lakes and threatens the town's water supply."

I submit that if the bills are as effective as the minister indicated we wouldn't be faced with this kind of proposition where mining operations can threaten water supplies. If we get that from the storage of wastes left over from mining operations, what on earth could happen if there was an accident at the time of drilling and mining through the ice? The fact is we're dealing with very radioactive material, as the member for Sudbury mentioned. At this time the companies aren't removing radium or thorium, which are the two radioactive ingredients in the ore they would be mining out. We'd face a very serious situation if there was inadequate protection in terms of water supply.

The minister indicated the present legislation has enough teeth. If that's the case, I would like to know why the town of Elliot Lake passed a resolution supporting my colleague's bill? Why is it the Association of Counties and Regions in Ontario passed a resolution in which they said: "Whereas potable drinking water is a precious natural resource and whereas the quality of this resource on many occasions has been impaired by human negligence and lack of legislative protection—" I wonder if the minister is aware of the opinion of the counties and region about his laws which he says are so effective?

They go on: "—and whereas recent activities by mining exploration companies in the Lake Wanapitei area in the Sudbury region and in Elliot Lake caused great concern to these communities because of the danger to the water supply by drilling into beds of those lakes; and whereas the withdrawal of those companies' activities in these lakes in 1978 is not a guarantee that this cannot be attempted again in the future anywhere in the province—" again, they don't trust the present legislation as any guarantee, "—and whereas present legislation is inadequate and confusing in dealing with the protection of primary sources of water supply; therefore be it resolved that we call on the provincial government to investigate and analyse all present legislation that permits staking, drilling and exploration for minerals in the beds of any water bodies; and further be it resolved that we ask the provincial government to so designate all lakes that are potential sources of community drinking water in the province; and further that we call on the government to introduce legislation which will prevent the staking, drilling and exploring in beds of any

water bodies that are sources of water supply to a community."

I submit that the bill presented by my friend from Sudbury is an exact response to the request of the counties and regions of this province for protection of bodies of water that are producing water supplies for communities. It's because the government did not respond to this very legitimate request that we had to go the route of the member for Sudbury in presenting a private member's bill in this House.

It's only because the government is irresponsible in dealing with mining companies and protecting the water supply of the communities that we have to give a rational response to a very legitimate need.

The member for Sudbury mentioned Mr. Solski. I remember the time when the injunction was being sought and was granted to stop drilling in Wanapitei. Mr. Solski was very happy, of course, but he stated: "The entire situation points out the need for legislation protecting water bodies that are sources of drinking water. There is legislation preventing the staking of claims in provincial parks and there should be similar legislation protecting water bodies that are sources of municipal drinking water."

I couldn't agree more. I agree we should be protecting our provincial parks and not have mining operations take place in them; but surely if we're going to give that kind of protection for the aesthetics of this province, we can give the same kind of protection to protect the health of our communities.

Mr. Deputy Speaker: The member's time has expired.

Mr. Wildman: I reiterate that one cannot put jobs ahead of health. If one is drilling they're drilling for a purpose, not because they're testing drills but because they want to mine the ore out from the bottom of the lake.

I think we should all support this legislation to protect our drinking water.

Mr. Havrot: Mr. Speaker, there is no more laudable an act by government than ensuring a clean environment.

Mr. Bolan: When is the government going to start?

Mr. Havrot: The intent of the member for Sudbury's amendment is of a noble nature, which I'm sure is held in high regard on all sides of the House. It springs from a philosophy which the government of Ontario has held for many years. Yet herein lies the difficulty I have with this particular piece of legislation.

[5:15]

Although noble in spirit, this bill has the effect of duplicating existing legislation. It merely seconds legislation which has protected the people of Ontario for many years. I am somewhat surprised a fellow member from the north is not more familiar with the Ontario Water Resources Act and the Environmental Protection Act. Both these acts provide excellent protection for the people of this province.

I have grave misgivings about creating unneeded legislation. On most occasions it does nothing more than provide excess red tape. An overabundance of red tape is the quickest way I know to kill the effectiveness of any legislation, and I am afraid this would be the end result of Bill 125.

The Ontario Water Resources Act and the Environmental Protection Act already provide all the legislative muscle needed by the Ontario Ministry of the Environment to carry out the very basic job of ensuring good water supplies for municipal, community and private use.

Mr. Laughren: You're smirking. Why are you smirking when you are reading this?

Mr. Havrot: Maintaining both the quality of the water and the quality of the supply are integral parts of the Ontario Water Resources Act.

Mr. Breaugh: He is smirking at the speech writer.

Mr. Havrot: Why don't you listen for a while. You might learn something. Your tongue keeps flapping. Why don't you put it in low gear?

It is an objective the Ministry of the Environment has worked long and hard to preserve. I would like to take a moment to comment on two sections of the Ontario Water Resources Act. Section 32 was created to preserve water quality. It is presently an offence for a person or municipality to discharge or deposit material of any kind into water or onto the shore or bank of a watercourse—

Mr. Deputy Speaker: Order. Your point of order?

Mr. Breaugh: A point of order, Mr. Speaker: Is the member reading a speech in this House?

Mr. Havrot: I suppose you don't read speeches in the House?

It is at present an offence for any person or municipality to discharge or deposit material of any kind into water or onto the shore or bank of a watercourse or waterbody, or into any place that may impair the quality of the water. There is no doubt in my mind a discharge of effluent from a mine

would be covered under this section of the legislation. Thus this bill would prove to be redundant.

The member for Sudbury also recommends in his bill that any person guilty of an offence or summary conviction should be liable to a fine of not more than $200 for every day the contravention occurs. This does not even come close to meeting penalties already established under section 32 of the Ontario Water Resources Act.

Presently, upon a summary conviction, the offender is liable to a fine on first conviction, as was pointed out earlier, of not more than $5,000 and on each subsequent conviction of not more than $10,000.

Mr. Laughren: Why do you let them drill?

Mr. Havrot: I might also point out that because each day of contravention is considered a separate offence these penalties can prove to be a very stiff reminder to the offender. I would suggest the penalties included in Bill 125 are probably not of sufficient severity to provide any added incentive for the guilty party to clean up his or her act. I wish members opposite would clean up their act.

Interjection.

Mr. Mackenzie: Don't look up, you might miss a sentence.

Mr. Havrot: Boy, your tongues are sure wagging this afternoon.

Mr. Breaugh: Maybe if the honourable member would follow the rules they wouldn't have to wag so much.

Mr. Havrot: I must be getting across to you because you won't let me present it.

Mr. Breaugh: Why don't you make your own speech instead of reading somebody else's?

Mr. Havrot: This portion requires any person taking more than 10,000 gallons of water in a day from a source to obtain a permit issued by a director of the Ministry of the Environment. Only domestic and farm uses are excluded from this permit requirement.

The issuing of such a permit provides the means for the Ontario government to control water consumption. This section also gives the director the power to cancel such a permit and to impose terms and conditions which he deems appropriate. This act is very comprehensive in that it covers the removal of water by means of wells, surface supply, inlets and diversion and storage structure. Because of this particular section, the ministry can ably regulate and prevent interference of community water supply sources.

Complementary protection is also provided by the Environmental Protection Act. Under section 6 and section 70, a director of the ministry may issue a control order to limit or control the discharge of contaminants.

This order can set out procedures to be followed in the elimination or control of these contaminants. The director can also order the installation, replacement or alteration of equipment designed to control and eliminate these contaminants.

It seems to me a mining operation discharging effluent into any water source, whether it be a community water source or not, would be charged under this present legislation. I firmly believe the laws now in place are of a stiffer nature than what the member for Sudbury is now proposing.

Mr. Kerrio: When was the last time somebody was charged under that act? Explain that to me.

Mr. Havrot: If the ministry feels there is any imminent or immediate danger to human life or the health of any person, officials can issue a stop order to the responsible party and put an end to the release of contaminants into the natural environment. If the ministry feels there is any threat or danger to a piece of property, another stop order can also be issued.

Mr. Kerrio: When are we going to do that?

Mr. Havrot: This is all covered in the Environmental Protection Act under section 7 and 74, and provides the government of Ontario with the necessary legislation to act quickly and expeditiously in the case of an emergency.

We feel on this side of the House this is more than adequate and enables the Ministry of the Environment to deal with any problem that may arise, not just with those limited few covered in this amendment.

I would also like to mention that the same stiff penalties covered in the Ontario Water Resources Act are also included in the Environmental Protection Act. Under section 102, upon summary conviction, a person is liable to a fine on a first conviction of not more than $5,000 and on each subsequent conviction of not more than $10,000 for every day an offence occurs.

I have two main difficulties with this bill. First, as I have outlined, it seems to be redundant and unnecessary. The Ontario Water Resources Act and Environmental Protection Act provide a sufficiently strong basis for the Ministry of the Environment to protect the

water supplies of municipalities, communities and individuals.

This protection does not just cover interference from prospecting or mining activities, but also includes other intrusions upon the natural environment.

The second problem in Bill 125 is one of confusion in definition and in enforcement.

Mr. Mackenzie: We now know the honourable member can read.

Mr. Havrot: The bill defines a source of community drinking water.

I haven't got a wagging tongue like the honourable member has that can wag on for hours in perpetual motion.

Mr. Mackenzie: We know you can read.

Mr. Havrot: Yes, and maybe better than the honourable member can.

Mr. Breaugh: Are you reading a speech?

Mr. Havrot: Doesn't the honourable member ever read a speech? He is so bright.

Mr. Breaugh: Are you reading a speech?

Mr. Havrot: Yes I am, for his information.

Mr. Breaugh: On a point of order, Mr. Speaker. The rules of this House are quite clear that members may not read speeches. This member has just said he is reading a speech.

Mr. Deputy Speaker: I think if the honourable member reads the rule correctly, it says "must not read extensively."

Mr. Breaugh: If I might, for your information, simply point out that under the rules of debate, in section 19, it says, " . . . or read unnecessarily from verbatim reports of the legislated debates or any other document." Unnecessarily from verbatim reports, Mr. Speaker, precludes the members reading speeches in the House. They are certainly allowed to quote at some length, but they are not allowed under these rules to read a speech.

Mr. Deputy Speaker: The honourable member for Timiskaming.

Mr. Havrot: Thank you, Mr. Speaker.

Mr. Kerrio: Put it in your pocket.

Mr. Havrot: The second problem in Bill 125 is one of confusion in definition and enforcement. The bill defines a source of community drinking water as, "any body of water that is used or is likely to be used as a public source of drinking water by any municipality or other community in Ontario."

The phrase, "or is likely to be used," could include almost any body of water in Ontario and might preclude that we ever have another mining operations started in this province. That seems to me to be more than a little shortsighted.

I also puzzled over the section which says the ministry, "shall prepare and publish in the Ontario Gazette a list of names of all sources of community drinking water in Ontario." Should that list include all services serving two or more residences? Should it include all industries? Should it include a farmer's privately-owned well? Should potential water resources be included?

Mr. Wildman: Are they going to drill for uranium in a well?

Mr. Havrot: It is not difficult to imagine the length of such a list nor to imagine the problems that would occur when trying to compile such a list. What is difficult to imagine is why anyone would want to tamper with this solid base of existing legislation and add to it a confused and cumbersome amendment. Should we risk altering a successful and effective tool?

Mr. Speaker, I think the answer should be no.

Mr. M. Davidson: A point of order, Mr. Speaker?

Mr. Deputy Speaker: What's your point of order?

Mr. M. Davidson: Mr. Speaker, my point of order is very similar to the one raised by the member of Oshawa, but I will raise it now when no one is speaking. You have allowed the member to continue and finish his speech, but I would like you to get a ruling from the Clerk of this Legislature as to exactly what section 19(d)(4) means. "Not necessarily from verbatim reports of the Legislative debates or any other documents," means to me that you cannot make a speech by reading it in the House.

Mr. Havrot: They do it in Washington every day.

Mr. M. Davidson: Well we are not in Washington, we are in the province of Ontario; and I would suggest to you, Mr. Speaker, that 10 minutes is excessive or unnecessary reading, particularly when the member probably did not write the speech himself.

Mr. Deputy Speaker: The honourable member for Huron-Bruce.

Mr. Gaunt: I can assure you, Mr. Speaker, that I will not be reading a speech.

It's right off the top of my head and it will become very obvious as time goes on I am sure. Nevertheless, Mr. Speaker, I am pleased to participate in this debate.

I just want to make a few very brief comments. One has to respond to the comments of the member for Timiskaming. He made the point that the existing legislation, in his view, would cover the situation. I beg to differ on that point. I think there are some weaknesses in the existing legislation which would be covered by this particular act. In that regard, I think the act does deserve support.

The Ontario Water Resources Act was mentioned as a possible legislation vehicle through which drilling in a lake or body of water, if it was a source of drinking water, as Lake Wanapitei is, could be checked and used as a protection for that body of water. I suggest that the Ontario Water Resources Act would not give the kind of protection we are seeking in this instance. The Ontario Water Resources Act would only protect after the fact. It would only protect the source of drinking water after the drilling has been done and after the damage has been done. There would be certain conditions under the Water Resources Act which could be violated and then subject to some prosecution if the violation was flagrant.

But that doesn't solve the problem of protecting the water. What does the city of Sudbury do, for instance, in the event of a spill or serious damage to that body of water? What do the people of Sudbury do in the meantime, while the ministry is trying to prosecute under the terms of the Ontario Water Resources Act? Do they go without water? Do they try and find another source of drinking water? What do they do?

So I say to my friend, the protection under the Ontario Water Resources Act for this kind of situation is totally inadequate and should not be used under any circumstance.

In terms of the Environmental Protection Act I think the protection is very minimal at best. It's not the kind of adequate protection the people of Sudbury or Elliot Lake or anywhere else need to ensure their continuous water supply when they are confronted with this kind of situation.

[5:30]

The Environmental Protection Act is strictly permissive in this regard. The minister may do certain things, he may take certain action, but that is solely discretionary and is not adequate protection in the circumstances and conditions we are talking about. There again I don't think we have adequate legislative backup to prevent the problem that arose in regard to Lake Wanapitei.

The Ministry of Natural Resources wrote a letter a number of months ago indicating it would give a permit to drill in Lake Wanapitei, albeit with certain conditions—I believe there were 12 conditions set out, indicating it would permit drilling provided those 12 conditions were met. That is an indication that the present legislation infringing on this particular matter is not adequate. If the drilling is allowed with certain conditions, and even one of those conditions is violated, then it is going to cause a problem with respect to the supply of drinking water, in this case the supply of drinking water to the city of Sudbury.

In the final analysis it comes down to the fact that the legislative authority to cope with this particular situation is not adequate. For that reason, I think we need this type of legislation and, therefore, I would support it.

Ms. Bryden: Mr. Speaker, I rise to support this bill. Perhaps it is worth noting that I don't live in northern Ontario, but I think the people of southern Ontario are equally interested in this kind of legislation because it indicates there is a very serious weakness in the government's fulfilling of its obligation to provide the people of the province with a clean drinking water supply everywhere in this province. When it has failed to fulfil that duty, we need legislation of this sort. I think we can expect other bills of this type if the government continues to let our water supply be degraded in any way or not be adequately protected.

We have had some incidents in southern Ontario. The town of Chesterville was forced to boil its water, under ministry order, for almost a month this fall because they hadn't been able to find the cause of some contaminants in it.

In the cities of Toronto and Brantford they discovered worms in the water supply, and we discovered that the Ministry of the Environment has no standard for the number of worms that you can have in the water supply and it still to be safe.

The US public health agency does have a standard: You can't have more than 20 worms per litre. One of the researchers, a biologist from the University of Waterloo, found 43 worms per litre in the samples he checked from Brantford. Obviously the government is not fulfilling its responsibility regarding standards about the number of worms in the water supply.

This responsibility used to be fairly easy for governments to fulfil. You simply had to locate a lake or river that had a relatively clean supply and build a pipeline to connect with the householders' taps. But now it is a much more serious responsibility because there are so many toxic and pollut-

ing substances getting into water. We don't know how much Mirex, PCBs or dioxin is getting into our Great Lakes. We don't know the effects on the water supply of a great many industrial developments. Certainly mining developments—which are dealt with in this bill—should be assessed very carefully under environmental assessment rules before they are allowed to proceed in any water body and they should certainly not be allowed to proceed in a water body that is supplying a community water supply.

Mr. Speaker, the members opposite have suggested that the present legislation is adequate to deal with the problem of protecting the people of Sudbury and others who use the water from Lake Wanapetei. As the member for Huron-Bruce has pointed out, it's like bolting the stable door after the horse has gone. Under both the Water Resources Act and the Environmental Protection Act action is taken after the contaminant has been put into the water supply, lake, river, or environment.

There are other weaknesses in the present legislation. For example, the Water Resources Act requires that contractors who drill water wells for people or communities served by wells must be licensed. But the act does not provide that people who drill in lakes for minerals should be licensed. There is a great gap there.

The Water Resources Act also provides for the regional director to designate or define areas which are a source of public water and apply restrictions, but this is only a permissive clause in the act. It does not require him to designate such and to apply restriction. If he thinks that a water supply might have an undue number of swimmers in it, he can designate it and ban swimming, but this bill makes it much more strict in that any water supply must be listed in the Ontario Gazette and therefore designated for a prohibition of mining activity, drilling, and other activities that may degrade the quality of the water.

But also, the members opposite did not seem to put very much stress on the Environment Assessment Act as one of the government's pieces of existing legislation that could protect the residents against degradation of their water supply. I can understand perhaps why they didn't stress that act very much because it's one of the most unused acts on the statute books.

Even the Elliot Lake inquiry—which was a very extensive inquiry into both the health and economic and social conditions up there—was actually done under a special order in council and not under the Environmental Assessment Act, although they did have the equivalent of environmental assessment in a lot of ways.

For rather unknown reasons the government doesn't seem to be using the Environmental Assessment Act in very many instances. It holds most of its hearings under orders in council or the Water Resources Act or the Environmental Protection Act. This means that we can't rely on the government to use that act to insist that there will be an environmental assessment before any drilling is allowed in Lake Wanapitei or any other lake that might be used for a water supply.

The past record of the ministry seems to indicate that it will not use that act to protect the residents. Lately the Minister of the Environment has been taking the attitude that he will designate projects to come under the act if he gets a request from the local government people. The regional municipality of Sudbury and a good many other municipalities in that area requested an environmental assessment of the proposed drilling at Lake Wanapitei and they didn't get it. It was not designated.

In fact, the number of projects the minister has designated as subject to environmental assessment under that act could be counted on the fingers of one hand. That's another reason this kind of legislation has to be brought in—as long as the minister is not using the piece of legislation that was brought in, presumably to ensure that no project in this province goes ahead without a proper environmental assessment.

I might also say the ministry's obligation to protect the water supply of the citizens of this province throughout the province should include a lot of other actions besides this bill, which will at least see that there is an environmental assessment and that a permit must be issued before anything can go ahead, presumably after an environmental assessment.

The government should also be taking action to ensure a clean water supply by enforcing our water quality standards much more strictly to eliminate toxic substances from all our lakes and rivers, especially those that are used for water supplies. This, of course, includes cleanup of the serious pollution from the pulp and paper industry and stronger control orders, and setting maximum tolerance levels for toxic substances which industry is dumping into our waterways. That is additional action. If that sort of step were taken, we would not have as much need for special legislation to keep our water clean.

The minister could also be developing a wetlands preservation program in recognition of the fact that wetlands play an important role in the maintenance of groundwater levels and also have a cleansing effect on many streams that pass through them. So far, we don't have a wetlands preservation policy.

Mr. Speaker: The honourable member's time has expired. The honourable member for Sudbury has reserved five minutes, if he would care to use them now.

Mr. Kerrio: Is the member for Sudbury getting that feeling?

Mr. Stong: Give it to them.

Mr. Germa: I think I got from this government what I expected—just total and absolute arrogance and insensitivity to the needs of the people of northern Ontario and what they deem to be in their best interest.

This bill is not coming from one source only; it was not my idea. It was the idea of hundreds of thousands of people, as represented by the endorsation of their various councils which know what is in the bill. The bill was widely distributed to them with a letter of explanation as to why it was necessary. They, in full conscience, endorsed it—council after council after council, right across northern Ontario as far south as Parry Sound and right into the Ottawa Valley where mining takes place.

Yet this government just keeps repeating, "We have plenty of legislation under all of these acts." But the evidence is in and the jury is in. They didn't work in this instance. The Minister of Northern Affairs says, "This is only one instance."

We had another case in Elliot Lake that the member for Algoma recited where they wanted to drill through the ice on Elliot Lake as well. What we have to consider is why a mining company wants to drill a hole in the bottom of a lake. It doesn't do it because it likes the sound of a drill or is having fun drilling; it wants to exploit the ore body under that lake. There might be some validity to say that drilling is not harmful. It is the secondary step. When the company finds out there is an ore body there, what is going to happen to our source of water then?

There is no force and there is not enough intestinal fortitude in this government to hold up against Hollinger Mines if it says it has found a uranium body under Lake Wanapitei. That would be game over.

[5:45]

Hollinger Mines Limited came in with a ruse. They said, "If we do find a uranium body and if we know we can't exploit it within the watershed without routing the watershed, we will go over the height of land and we will approach it from the other side. We will pull the ore out of the bottom of the lake without you even knowing it." That meant they would have to run in a drift probably about four miles.

We have information from a mining engineer who said that would not be a viable ore body because the ore body was just not that rich. It would not be a viable operation to sink a shaft four miles from the lake and drift in from beyond the height of land or from outside the catchment area of the lake. lake.

We have to assume then that if Hollinger had been allowed to do this, that would have been the end of the watershed known as the Lake Wanapitei watershed, and the city of Sudbury's water supply. There are 150,000 people who depend on this water supply. When the day comes that Hollinger Mines attacks the water source for Hudson, I'm going to tell the minister, "Go cry in your own beer. You didn't help me when I needed it, so let Hollinger attack your water supply if they want to." I would say the same to the member for Timiskaming. He's never been under pressure from a mining company the way we have.

When the ice comes back this winter we're going to be under pressure again, because there are still some outstanding mining claims there, as indicated in a letter. This is the latest communication I have from the government. It's signed by the Minister of Natural Resources (Mr. Auld). I would like to put this on the record:

"As a result of concerns expressed by local residents about drilling on Lake Wanapitei, a committee was formed in February 1977 and given the responsibility of reporting directly to the Minister of Natural Resources, recommending a strategy for development and use of Lake Wanapitei. This study included a review of exploratory drilling.

"In December 1977 the minister tabled the committee report. Subsequently, a decision was made by cabinet on December 16, 1977, to permit drilling on the lake, subject to 12 conditions."

Those 12 conditions have been examined and they are not adequate. In the 12 conditions imposed on the drilling permit by the government, there is no direction as to how those limitations are to be implemented. It says the holes in the bottom of the lake must be plugged. It doesn't say what you plug them with or how you plug them or how durable they have to be.

Mr. Speaker: The honourable member's time has expired. Is there anybody else who wishes to speak?

Mr. Kerrio: Mr. Speaker, I think a very important subject has been raised today as it relates to these particular discussions and debates. It's very discouraging that it has come to the point where the government stands 20 strong and blocks a bill where it feels there's going to be any kind of consensus among the rest of the legislators. I don't think that was the intention in the first place, and it's very discouraging to see them carry on in that vein.

In dealing with Bill 125, which I am going to support, the government is standing and suggesting there are regulations in place which see to it that the public's right to clean water is protected. Such is not the case. We've witnessed many instances of this, not only in northern Ontario but in all other parts of Ontario. The minister himself is aware of what has happened in the English-Wabigoon system and in other systems in northern Ontario, where one should expect clean water.

We say it's time there were regulations that do not allow drilling in the water supplies of those great northern cities and that the government protect that environment at all costs. I'm suggesing the arguments put forward by the government certainly have not been good arguments. The record speaks for itself: They have not protected the environment. What we're asking for in the future is a dedication that they will make those people who want to drill responsible for the environment and its integrity.

We say it's time such bills were put to the Legislature and voted on in a free way, so that if the bill has merit it can pass.

Mr. Eakins: Now we'll see what they think about freedom of information over there.

Mr. Laughren: Mr. Speaker.

Mr. Speaker: If the member can say something in 20 seconds, he's welcome to try.

Mr. Laughren: I rise in support of the member for Sudbury who is attempting to protect the water supply for the city of Sudbury. I would ask members to think about how often it is that we in this chamber have to rise in defiance of this government and its complicity with the mining industry and what it does to the environment in the Sudbury basin.

PUBLIC OPINION POLLS

The following members having objected by rising, a vote was not taken on resolution 22:

Ashe, Baetz, Bernier, Brunelle, Cureatz, Drea, Eaton, Gregory, Havrot, Hennessy, Hodgson, Johnson, J., Kennedy, Leluk, Maeck, McCague, Newman, W., Norton, Ramsay, Rotenberg, Rowe, Scrivener, Villeneuve, Wells, Williams—25.

ONTARIO WATER RESOURCES AMENDMENT ACT

The following members having objected by rising, a vote was not taken on second reading of Bill 125, An Act to amend the Ontario Water Resources Act:

Ashe, Baetz, Bernier, Brunelle, Cureatz, Drea, Eaton, Gregory, Havrot, Hennessy, Hodgson, Johnson, J., Kennedy, Leluk, Maeck, McCague, Newman, W., Norton, Ramsay, Rotenberg, Rowe, Scrivener, Villeneuve, Wells, Williams—25.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, pursuant to standing order 13, I would like to indicate to the House the business for tomorrow and next week.

Tomorrow morning the committee of supply will be meeting to conclude the estimates of the Ministry of Intergovernmental Affairs. That will be followed by the estimates of Management Board of Cabinet.

On Monday the committee of supply will be meeting to consider the estimates of Management Board of Cabinet. On Tuesday, October 30, we will be doing legislation in the afternoon and evening on Bill 77, followed by Bill 127 for second readings and then followed by Bill 122. If any time remains after that, we'll move to the budget debate.

On Wednesday, October 31, the justice, general government and resources development committees may meet in the morning.

On Thursday afternoon, November 1, in private members' public business will be, first, ballot item 1 standing in the name of the member for Mississauga North (Mr. Jones), followed by ballot item 2 standing in the name of the member for London North (Mr. Van Horne).

In the evening we will be debating two reports. First, the debate on the motion for adoption of the report of the standing social development committee, dated June 19, 1979, concerning the Lakeshore Psychiatric Hospital. This will be followed by debate on the motion for adoption of the recommendations contained in the seventh report of the select committee on the Ombudsman.

On Friday, November 2, the committee of supply will be considering the estimates of the Office of the Lieutenant Governor, Cabinet Office and Office of the Premier.

The House recessed at 6 p.m.

APPENDIX

(See page 3814)

ANSWERS TO QUESTIONS ON NOTICE PAPER

REVIEW OF SERVICES

277. Mr. Philip: Will the Minister of Transportation and Communications table a list of local reviews which are taking place for MTC services which may eventually be contracted out to the private sector? (Tabled October 11, 1979.)

278. Mr. Philip: Will the Minister of Transportation and Communications specifically list which areas of operation of the Ministry of Transportation and Communications are currently undergoing review with a possibility of contracting out to the private sector? (Tabled October 11, 1979.)

279. Mr. Philip: Will the Minister of Transportation and Communications table a list of consulting firms which have undertaken an analysis of comparable service costs of the private and public sector? Will the minister table these reports? (Tabled October 11, 1979.)

280. Mr. Philip: Will the Minister of Transportation and Communications table a list of all studies undertaken by the ministry in its review of service costs between the private and public sector? Will the minister make available these documents? (Tabled October 11, 1979.)

Hon. Mr. Snow: Preparation of a complete response to questions 277 to 280 inclusive is not possible in the limited time available. The final answers will be introduced on or about November 23, 1979.

281. Mr. Philip: Will the Minister of Transportation and Communications table a detailed accounting of all moneys spent by the ministry in the last five years in contracting out services from the private sector including: (a) total moneys expended; (b) nature of services, broken into categories; (c) names of companies which services have been contracted out to and the specific service for each? (Tabled October 11, 1979.)

Hon. Mr. Snow: The comprehensive nature of this question will require an extensive review of ministry records and an answer cannot be prepared in the time available. A final answer will be introduced on or about January 11, 1980.

PROPERTY TAXATION

282: Mr. Isaacs: Will the ministry table the economic impact analysis prepared in accordance with government policy concerning the Minister of Revenue's publication of new 1979 assessment equalization factors on July 14, 1979? (Tabled October 11, 1979.)

Hon. Mr. Maeck: No formal economic impact analysis was performed prior to the introduction of the amendment to section 3 of the Assessment Amendment Act 1978 (Chap. 73), which removed the freeze on the preparation of assessment equalization factors under the provisions of section 71 of the Assessment Act.

In a statement in the House on November 21, 1978, the Minister of Revenue advised the members that the decision to unfreeze the factors had been taken in conjunction with the Treasurer, the Minister of Education and the Minister of Intergovernmental Affairs, and that provisions would be made for phasing in burdensome changes.

The government has always acknowledged that there would be substantial costs associated with alterations to the property tax system. On January 30, 1978, the Ministry of Treasury, Economics and Intergovernmental Affairs published a document entitled Estimated Effects on Individual Municipalities of The Alternative Property Tax System. An analysis, municipality by municipality, of the anticipated impact of using market value for calculating grants, provided the basic information concerning the feasibility of requiring the preparation of new equalization factors. During the course of the debate on the 1977 Assessment Amendment Act, the then Minister of Revenue cautioned the House that unfreezing the factors would have a considerable impact in many municipalities in particular, on rural and residential communities. However, the amendment which required new factors to be prepared, received the support of all parties in the House.

The statement that no municipality or school board would receive less in grants as a result of the new factors has been confirmed by the statements of the Minister of Intergovernmental Affairs on October 12, 1979. The municipalities which were most adversely affected will not suffer the full impact of the new factors.

283. Mr. Isaacs: Will the ministry table its best estimate of the total cost to the province of the guarantee of the Minister of Revenue on November 21, 1978, "that no municipality or school board will receive less grant in 1980 because of the introduction of new factors? Secondly, will the ministry table any other estimates it has made of total provincial cost of financing this guarantee? (Tabled October 11, 1979.)

Hon. Mr. Wells: The estimates of the cost to the province of the grant guarantee announced by the Minister of Revenue have not as yet been finalized. As I have told the House previously, however, the cost is expected to be in the order of $50 million.

284. Mr. Isaacs: Will the ministry table studies made by the Ministries of Education, Treasury and Intergovernmental Affairs to evaluate the impact of the new equalization factors on grant programs and apportionment procedures and various policy options for dealing with the impact of the new equalization factors? (Tabled October 11, 1979.)

Hon. Mr. Wells: It would not be feasible for the government to table the internal studies because of the number of options and sub-options considered and because of the complexity of the data and assumptions utilized in the statistical analyses.

285. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the regional municipality of Hamilton-Wentworth and its lower tier municipalities? (Tabled October 11, 1979.)

286. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the regional municipality of Niagara and its lower tier municipalities? (Tabled October 11, 1979.)

287. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the regional municipality of Ottawa Carleton and its lower tier municipalities? (Tabled October 11, 1979.)

288. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the regional municipality of Sudbury and its lower tier municipalities? (Tabled October 11, 1979.)

289. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the regional municipality of Waterloo and its lower tier municipalities? (Tabled October 11, 1979.)

290. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the regional municipality of Muskoka and its lower tier municipalities? (Tabled October 11, 1979.)

291. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the county of Brant and its lower tier municipalities? (Tabled October 11, 1979.)

292. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the county of Essex and its lower tier municipalities? (Tabled October 11, 1979.)

293. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the county of Middlesex and its lower tier municipalities? (Tabled October 11, 1979.)

294. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the county of Peterborough and its lower tier municipalities? (Tabled October 11, 1979.)

295. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the county of Victoria and its lower tier municipalities? (Tabled October 11, 1979.)

296. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the district of Algoma and its lower tier municipalities? (Tabled October 11, 1979.)

297. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the district of Nipissing and its lower tier municipalities? (Tabled October 11, 1979.)

298. Mr. Isaacs: Will the ministry table all information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for the district of Thunder Bay and its lower tier municipalities? (Tabled October 11, 1979.)

Hon. Mr. Maeck: Each question asks for the information contained on the form entitled Calculation: 1979 Equalized Assessment and Equalization Factor for regional, county and district municipalities as well as for the constituent lower tier municipalities. No calculation forms are compiled for upper tier municipalities, the calculation is performed only at the lower tier level. The information has been tabled today as Sessional Paper 208.

300. Mr. Isaacs: Will the ministry provide estimates of the ". . . large and in some cases unacceptable shifts in the burden of property taxation among municipalities and among ratepayers" which would occur if the new equalization factors were used without limit? Will the ministry provide these estimates for a representative sample of 15 municipalities across Ontario and explain the reasons for the shifts? (Tabled October 15, 1979.)

Hon. Mr. Wells: Attached is a sample of 24 municipalities which, based on 1979 data, would experience unacceptably large municipal mill rate increases as a result of the unconstrained use of the new assessment equalization factors.

SAMPLE OF MUNICIPALITIES WITH UNACCEPTABLY LARGE MUNICIPAL MILL RATE INCREASE

		% Change in 1979 Mill Rates		
Municipality	County or District	Lower-tier	Upper-tier	Total
Assiginack Tp.	(Manitoulin)	80.7	N/A	80.7
Tilbury West Tp.	(Essex)	54.5	106.8	63.4
N. Crosby Tp.	(Leeds & Grenville)	46.2	56.4	49.3
S. Easthope Tp.	(Perth)	51.6	31.2	45.5
Snowdon Tp.	(Haliburton)	46.9	30.8	42.2
Bayfield V.	(Huron)	45.9	14.5	35.9
Hinchinbrooke Tp.	(Frontenac)	27.1	91.9	33.8
Ekfrid Tp.	(Middlesex)	24.7	42.2	30.0
Newboro' V.	(Leeds & Grenville)	22.2	69.6	29.3
Medonte Tp.	(Simcoe)	26.5	33.4	28.6
Conmee Tp.	(Thunder Bay)	25.2	N/A	25.2
Machar Tp.	(Parry Sound)	24.0	N/A	24.0
Saugeen Tp.	(Bruce)	28.1	9.6	22.8
Tudor & Cashel Tp.	(Hastings)	17.7	23.3	19.0
Artemesia Tp.	(Grey)	21.8	5.2	17.8
Zone Tp.	(Kent)	23.3	9.6	17.4
Plympton Tp.	(Lambton)	15.9	20.6	17.4
	Region			
Rideau Tp.	(Ottawa-Carleton)	39.3	25.0	33.3
Wainfleet Tp.	(Niagara)	19.3	54.9	33.1
Flamborough Tp.	(Hamilton-Wentworth)	12.4	37.8	27.6
E. Gwillimbury Tp.	(York)	16.9	28.9	20.4
Wilmot Tp.	(Waterloo)	13.9	29.0	20.3
Halton Hills Tp.	(Halton)	18.4	15.0	17.2
Nickel Centre Tp.	(Sudbury)	20.4	14.4	17.2

301. Mr. Isaacs: Will the ministry table a list of those communities that will experience a reduction in equalized assessment of more than 10 per cent, as a result of the introduction of the new equalization factors? (Tabled October 15, 1979.)

Hon. Mr. Wells: I presume that the question relates to municipalities which would experience a 10 per cent reduction in equalized assessment used for the calculation of the resource equalization grant relative to the provincial change in equalized assessment (not an absolute reduction) as a result of the new equalization factors published in July. Following is a list of those municipalities.

List of municipalities with relative equalized assessment decreases of more than 10 per cent: Hamilton city, Cavan township, Dundas town, Hope township, Dymond township, Temagami township, New Liskeard town, Collingwood town, Terrace Bay township, Peterborough city, Sudbury city, Toronto city, Etobicoke borough, Scarborough borough, York borough, East York borough, North York borough, Orangeville town, Simcoe town, Gananoque separated town, Point Edward village, Shackleton and Machin township, Beardmore township, Braeside village, Vespra township, Amherstburg town, Sturgeon Falls town, Iroquois Falls town, Welland city, Eilber and Devitt township, Red Rock improvement district, Marathon township, Owens, Williamson and Idington township, Espanola town, Smooth Rock Falls town, Arnprior town, Thorold city, Windsor city, Kapuskasing town, Opasatika improvement district.

RESOURCE EQUALIZATION GRANTS

302. Mr. Isaacs: Will the ministry table a list of municipalities that will be affected by the $10 per capita limit on the amount of increase over their 1979 resource equalization grant, announced on Friday, October 12, 1979? Will the ministry further indicate the amount of money that these municipalities will lose? (Tabled October 15, 1979.)

Hon. Mr. Wells: This is a matter which I intend to discuss at a later stage when presenting further details of the policy which I announced on October 12, 1979.

303. Mr. Isaacs: Will the ministry table its estimate of the number and names of municipalities that would experience assessment shifts in excess of five per cent, in the absence of offsetting government action, as a result of the use of the new equalization factors? Will the ministry also table a list of those municipalities that will experience shifts of less than five per cent? (Tabled October 15, 1979.)

Hon. Mr. Wells: Following is a list of those municipalities in counties and regions which would experience a greater than 5 per cent change in their upper-tier municipal apportionment shares as a result of the new assessment equalization factors in the absence of offsetting government action. Those municipalities not on the list would experience a change of less than 5 per cent.

REGIONAL MUNICIPALITY OF DURHAM: City: Oshawa; towns: Ajax, Newcastle; townships: Brock, Scugog, Uxbridge.

REGIONAL MUNICIPALITY OF HALDIMAND-NORFOLK: Towns: Dunnville, Haldimand, Simcoe; townships: Delhi, Norfolk.

REGIONAL MUNICIPALITY OF HALTON: City: Burlington; towns: Halton Hills, Milton.

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH: Town: Ancaster; townships: Flamborough, Glanbrook.

REGIONAL MUNICIPALITY OF NIAGARA: Cities: Thorold, Welland; towns: Grimsby, Lincoln, Niagara-on-the-Lake, Pelham; townships, Wainfleet, West Lincoln.

REGIONAL MUNICIPALITY OF PEEL: Town: Caledon.

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON: Cities: Kanata, Nepean, Ottawa, Vanier; village: Rockcliffe Park; townships: Cumberland, Gloucester, Goulbourn, Osgoode, Rideau, West Carleton.

REGIONAL MUNICIPALITY OF SUDBURY: City: Sudbury; towns: Capreol, Nickel Centre, Onaping Falls, Raeside-Balfour, Valley East, Walden.

REGIONAL MUNICIPALITY OF WATERLOO: Townships: North Dumfries, Wellesley, Wilmot, Woolwich.

REGIONAL MUNICIPALITY OF YORK: Towns: Whitchurch-Stouffville, East Gwillimbury; townships: Georgina, King.

DISTRICT MUNICIPALITY OF MUSKOKA: Towns: Bracebridge, Huntsville; townships: Georgian Bay, Muskoka Lakes.

COUNTY OF BRANT: Town: Paris; townships: Oakland, South Dumfries.

COUNTY OF BRUCE: Towns: Chesley, Kincardine, Port Elgin, Southampton, Walkerton, Wiarton; villages: Hepworth, Lion's Head, Lucknow, Mildmay, Paisley, Ripley, Tara, Teeswater, Tiverton; townships: Arran, Brant, Bruce, Carrick, Culross, Elderslie, Greenock, Huron, Kinloss, St. Edmunds, Saugeen.

COUNTY OF DUFFERIN: Town: Orangeville: townships: Amaranth, East Garafraxa, East Luther, Melancthon, Mulmur.

COUNTY OF ELGIN: Town: Aylmer; villages: Belmont, Port Burwell, Port Stanley, Rodney, Springfield, Vienna, West Lorne; townships: Bayham, Dunwich, Malahide, South Dorchester, Southwold, Yarmouth.

COUNTY OF ESSEX: Towns: Amherstburg, Belle River, Essex, Leamington; village: St. Clair Beach; townships: Anderdon, Colchester North, Colchester South, Gosfield North, Gosfield South, Maidstone, Malden, Mersea, Rochester, Sandwich South, Sandwich West, Tilbury West.

COUNTY OF FRONTENAC: Townships: Barrie, Bedford, Clarendon and Miller, Hinchinbrooke, Howe Island, Kennebec, Kingston, Olden, Oso, Palmerston et al, Storrington, Wolfe Island.

COUNTY OF GREY: Towns: Durham, Hanover, Meaford, Thornbury; villages: Chatsworth, Dundalk, Flesherton, Markdale, Neustadt, Shallow Lake; townships: Collingwood, Derby, Egremont, Euphrasia, Glenelg, Holland, Keppel, Normandy, Osprey, Proton, Sarawak, Sullivan.

PROVISIONAL COUNTY OF HALIBURTON: Townships: Anson et al, Cardiff, Dysart et al, Glamorgan, Lutterworth, Monmouth, Sherborne et al, Snowdon, Stanhope; improvement District: Bicroft.

COUNTY OF HASTINGS: Town: Deseronto; villages: Deloro, Frankford, Madoc, Stirling, Tweed; townships: Bangor et al, Dungannon, Elzevir et al, Faraday, Herschel, Hungerford, Huntingdon, Limerick, Madoc, Marmora and Lake Mayo, Monteagle, Rawdon, Sidney, Thurlow, Tudor and Cashel, Tyendinaga.

COUNTY OF HURON: Towns: Clinton, Exeter, Goderich, Seaforth, Wingham; villages: Blyth, Brussels, Hensall, Zurich; townships: East Wawanosh, Goderich, Grey, Howick, Hullett, McKillop, Morris, Stanley, Stephen, Tuckersmith, Turnberry, Usborne, West Wawanosh.

COUNTY OF KENT: Towns: Blenheim, Bothwell, Dresden, Tilbury, Wallaceburg; villages: Erieau, Thamesville, Wheatley; townships: Dover, Harwich, Howard, Orford, Raleigh, Zone.

COUNTY OF LAMBTON: Towns: Forest, Petrolia; villages: Alviston, Arkona, Grand Bend, Point Edward, Thedford, Watford; townships: Bosanquet, Brooke, Enniskillen, Euphemia, Moore, Plympton, Sombra, Warwick.

COUNTY OF LANARK: Towns: Almonte, Perth; townships: Bathurst, Beckwith, Darling, Drummond, Lanark, Lavant et al, North Burgess, North Elmsley, Pakenham, Ramsay, South Sherbrooke.

UNITED COUNTIES OF LEEDS AND GRENVILLE: Town: Kemptville; villages: Athens, Cardinal, Merrickville, Newboro; townships: Augusta, Bastard et al, Edwardsburgh, Front of Escott, Kitley, North Crosby, Oxford (on Rideau), Rear of Leeds et al, Rear of Yonge et al, South Crosby, Wolford.

COUNTY OF LENNOX AND ADDINGTON: Town: Napanee; village: Bath; townships: Adolphustown, Amherst Island, Camden East, Ernestown, Kaladar et al, North Fredericksburgh, Richmond, Sheffield, South Fredericksburgh.

COUNTY OF MIDDLESEX: Towns: Parkhill, Strathroy; villages: Ailsa Craig, Glencoe, Lucan, Wardsville; townships: Adelaide, Biddulph, Caradoc, East Williams, Ekfrid, Lobo, London, McGillivray, Mecalfe, Mosa, North Dorchester, Westminster, West Nissouri, West Williams.

COUNTY OF NORTHUMBERLAND: Town: Port Hope; villages: Brighton, Colborne, Hastings; townships: Alnwich, Cramahe, Hope, Murray, Percy, Seymour.

COUNTY OF OXFORD: City: Woodstock; towns: Ingersoll, Tillsonburg; townships: East Zorra-Tavistock, Norwich, Southwest Oxford, Zorra.

COUNTY OF PERTH: Towns: Listowel, Mitchell; village: Milverton; townships: Downie, Ellice, Elma, Fullarton, Hibbert, Logan, South Easthope, Wallace.

COUNTY OF PETERBOROUGH: Villages: Havelock, Lakefield; townships: Asphodel, Belmont and Methuen, Burleigh et al, Cavan, Chandos, Galway and Cavendish, North Monaghan, Otonabee, Smith, South Monaghan.

UNITED COUNTIES OF PRESCOTT AND RUSSELL: Towns: Hawkesbury, Rockland, Vankleek Hill; villages: Alfred, Casselman, Plantagenet, St. Isidore de Prescott; townships: Caledonia, Cambridge, Clarence, East Hawkesbury, Longueuil, North Plantagenet, Russell, South Plantagenet, West Hawkesbury.

COUNTY OF PRINCE EDWARD: Town: Picton; townships: Athol, Hallowell, Hillier, North Marysburgh, Sophiasburgh, South Marysburgh.

COUNTY OF RENFREW: Towns: Arnprior, Deep River, Renfrew; villages: Beachburg, Braeside, Cobden, Eganville, Killaloe Station; townships: Admaston, Alice and Fraser, Bagot and Blythfield, Bromley, Brougham, Brudnell, et al, Grattan, Griffith, et al, Hagarty, et al, Head, Clara and Marie, Horton, McNab, North Algona, Raglan, Ross, Sebastopol, Sherwood, et al, South Algona, Stafford, Westmeath, Wilberforce.

COUNTY OF SIMCOE: Towns: Alliston, Collingwood, Midland, Penetanguishene, Stay-

ner, Wasaga Beach; villages: Port McNicoll, Victoria Harbour; townships: Adjala, Essa, Flos, Innisfil, Matchdash, Medonte, Orillia, Rama, Tay, Tecumseth, Tiny, Tosorontio, Vespra.

UNITED COUNTIES OF STORMONT, DUNDAS AND GLENGARRY: Town: Alexandria; villages: Chesterville, Finch, Iroquois, Lancaster, Maxville, Morrisburg, Winchester; townships: Cornwall, Finch, Kenyon, Lancaster, Lochiel, Mountain, Roxborough, Williamsburgh, Winchester.

COUNTY OF VICTORIA: Town: Lindsay; villages: Bobcaygeon, Omemee; townships: Carden, Dalton, Eldon, Emily, Laxton, et al, Manvers, Mariposa, Ops, Somerville.

COUNTY OF WELLINGTON Towns: Fergus, Mount Forest; Villages: Arthur, Clifford, Drayton, Elora, Erin; townships: Arthur, Eramos, Erin, Maryborough, Nichol, Peel, Puslinch, West Garafraxa, West Luther.

ASBESTOS IN SCHOOLS

320. Mr. Bounsall: Will the Ministry of Education table the reports submitted by boards of education in response to its investigation of the incidence of asbestos in Ontario schools? (Tabled October 16, 1979).

Hon. Miss Stephenson: The reports submitted by boards of education regarding the incidence of asbestos in Ontario schools are still being collected. After all the information has been collected and analysed, I will be pleased to make a statement about the results. It is anticipated that the study will be completed in about three weeks.

CONTENTS

Thursday, October 25, 1979

Point of privilege re Algoma Children's Aid Society, Mr. McClellan 3801

Point of privilege re nuclear plant safety, Mr. S. Smith 3801

Cemeteries legislation, statement by Mr. Drea 3802

Disabled persons report, statement by Mrs. Birch 3802

Public opinion polls, questions of Mr. Davis: Mr. S. Smith, Mr. Lawlor, Mr. T. P. Reid 3803

Equalization payments, questions of Mr. F. S. Miller: Mr. S. Smith, Mr. Cassidy, Mr. Peterson 3805

Gas and oil prices, questions of Mr. F. S. Miller: Mr. S. Smith, Mr. Cassidy, Mr. Peterson 3805

Interest rates, questions of Mr. Davis, Mr. Bennett and Mr. F. S. Miller: Mr. Cassidy, Mr. Peterson 3806

Labour relations, questions of Mr. Elgie: Mr. Cassidy, Mr. Mackenzie 3809

Use of sulphuric acid, questions of Mr. Parrott: Mr. Gaunt, Mr. S. Smith, Mr. Laughren 3810

Algoma Children's Aid Society, questions of Mr. Elgie: Mr. Wildman 3810

Registry offices, questions of Mr. Drea: Mr. Cureatz, Mr. Eakins 3811

Migration of skilled workers, questions of Mr. F. S. Miller: Mr. Peterson, Mr. Laughren, Mr. Roy 3811

Hydro safety inspections, question of Mr. Welch: Mr. Philip 3813

Deer hunt, questions of Mr. Auld: Mr. Riddell, Mr. Foulds 3813

Storage of hazardous substances, question of Mr. Parrott: Mr. Bradley 3814

Report, standing general government committee, Mr. McCaffrey 3814

Report, advisory council on the physically handicapped, Mrs. Birch 3814

Cemeteries Act, Mr. Drea, first reading 3814

Tabling answers to questions on notice paper, Mr. Wells 3814

Private members' public business on Resolution 22, re public opinion polls: Mr. T. P. Reid, Mr. Lawlor, Mr. Williams, Mr. Roy, Mr. Samis, Mr. Rowe, Mr. Van Horne, Mr. Warner 3814

On second reading, Bill 125, Ontario Water Resources Amendment Act: Mr. Germa, Mr. Bernier, Mr. Bolan, Mr. Wildman, Mr. Havrot, Mr. Gaunt, Ms. Bryden, Mr. Kerrio 3828

Business of the House, Mr. Wells 3841

Recess 3841

Appendix, answers to questions on notice paper 3842
Review of services, questions of Mr. Snow: Mr. Philip 3842
Property taxation, questions of Mr. Maeck and Mr. Wells: Mr. Isaacs 3842
Resource equalization grants, questions of Mr. Wells 3845
Asbestos in schools, question of Miss Stephenson: Mr. Bounsall 3847

SPEAKERS IN THIS ISSUE

Auld, Hon. J. A. C.; Minister of Natural Resources (Leeds PC)
Bennett, Hon. C.; Minister of Housing (Ottawa South PC)
Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)
Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Bolan, M. (Nipissing L)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cureatz, S. (Durham East PC)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J. (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Foulds, J. F. (Port Arthur NDP)
Gaunt, M. (Huron-Bruce L)
Germa, M. C. (Sudbury NDP)
Gigantes, E. (Carleton East NDP)
Haggerty, R. (Erie L)
Havrot, E. (Timiskaming PC)
Hennessy, M. (Fort William PC)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Lawlor, P. D. (Lakeshore NDP)
Mackenzie, R. (Hamilton East NDP)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
McClellan, R. (Bellwoods NDP)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
O'Neil, H. (Quinte L)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Philip, E. (Etobicoke NDP)
Reid, T. P. (Rainy River L)
Riddell, J. K. (Huron-Middlesex L)
Rowe, R. D. (Northumberland PC)
Roy, A. J. (Ottawa East L)
Samis, G. (Cornwall NDP)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Sweeney, J. (Kitchener-Wilmot L)
Van Horne, R. (London North L)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wildman, B. (Algoma NDP)
Williams, J. (Oriole PC)



No. 92

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, October 25, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

REPORT, STANDING SOCIAL DEVELOPMENT COMMITTEE (concluded)

Resuming the adjourned debate on the motion for adoption of the report of the standing social development committee.

Mr. Speaker: Do we have a speaker for this item?

Hon. Mr. Timbrell: Mr. Speaker, I had thought the chairman of the committee would lead off, but I understand he is otherwise detained this evening dealing with another matter of the environment somewhere else.

Mr. Speaker: He is in the Environment estimates dealing with the environment.

Hon. Mr. Timbrell: Something to that effect, Mr. Speaker. If I may, with the indulgence of the members of the committee, I would offer a few opening remarks.

Members may recall that in the spring of this year by petition of more than 20 members of the House the annual report of the Ministry of Health was referred to the standing committee on social development to consider several items, one of which we are to deal with this evening; namely, the question of hospital beds and policies with respect to the financing of hospitals.

I suppose it might be worth while to offer some comments about the way hospital financing has developed in the province. It is not that many years ago since government became involved in the financing of hospital services. In fact, it is only about 21 years since that happened. Prior to that time, it was really quite a hotchpotch of financial arrangements with many of the populace being covered by various forms of private hospital insurance.

Mr. Conway: What a way to describe the first 15 years of the Drew-Frost dynasty.

Hon. Mr. Timbrell: There was considerable and growing support from the governments of Colonel Drew, Colonel Kennedy and Mr. Frost for capital and operating budgets until Mr. Diefenbaker had the foresight to introdduce in 1958 legislation to provide for universal hospital insurance, which came into effect in Ontario on January 1, 1959.

Mr. Nixon: I thought Paul Martin did that.

Hon. Mr. Timbrell: At that time, of course, when the hospital insurance plan first began, only inpatient services were covered. It was a few years until outpatient services and, subsequently, medical services and a whole array of services now provided in and from hospitals became cost shared. They are now covered by the established programs financing act through which the federal government and the provinces carry out our universal health-care plan.

The committee spent a number of days—and I am sorry I didn't check Hansard for the exact number of days—but a number of days meeting with representatives of various hospitals to discuss the budgeting procedures. As well, the committee spent a few days on the road, as it were.

Mr. Conway: One.

Hon. Mr. Timbrell: Was it only one? I thought it was a couple of days. I am sorry. They spent one day then splitting off into, I think, five subgroups—

Mr. Conway: Four.

Hon. Mr. Timbrell: —to visit places like Windsor, Thunder Bay, Ottawa and Sudbury.

Mr. Conway: We wanted Bette to come to Windsor but she wouldn't.

Hon. Mr. Timbrell: Although I know some members of the committee were disappointed that more hospitals didn't come forward to support their theory of a system falling apart at the seams, none the less the committee did hear a number of interesting opinions—I guess really the whole range of opinions—and came up with 10 recommendations which, if I may, I would like to deal with this evening.

A number of the recommendations had to do with the question of bed allocations. I may say that in the main the comments and the recommendations stemmed from consideration of the situation in which a number of the smaller hospitals in the province have found themselves. Of course, we are talking about something probably in excess of 100 hospitals. About half of our hospitals fall into what we call the "small hospitals" category; that is, under 100 to 125 beds.

I want to say that when the committee talks about reducing the arbitrariness—these are

their words—of the present system—of bed allocations, modifying the concept of referral population to accommodate more fully population mixes, especially the large number of elderly people, basing referral population on patient-days rather than patient-separations—when they mention thesse concepts, they are not mentioning concepts which are foreign to the ministry or repugnant to the ministry.

A year ago we asked the Ontario Hospital Association and the Ontario Council of Administrators of Teaching Hospitals to form, with the Ministry of Health, a tripartite group to examine all the principles of budgeting for public hospitals and to come up with recommendations as to how we might make them better reflect our mutually-held goals, including the question of bed allocations. That is something, in fact, which is being looked at by a subcommittee of what has become known as COHRAB, the Committee on Hospital Resource Allocations and Budgets.

We have, of course, built into the existing formulae various, if you will, weighting factors to attempt to take account of differences in the demographics in an area or in the referral population served by a hospital. It has been argued that there should be other weighting factors, perhaps to take account of distance, perhaps to take account of such factors as heavier summer use in cottage areas or heavier winter use in, let's say, the Collingwood area, where they have a great many people who come through their doors due to accidents associated with winter sports. These are all things that are in fact being examined as well as, for instance, the notion of an additional weighting factor to take account of the impact on teaching hospitals.

At one point, the committee suggested we look at patient-days rather than patient-separations. I think this stemmed from concerns that had been raised by certain teaching hospitals that inasmuch as they get perhaps the more difficult cases, the ones that are very much more difficult to resolve and take much more time as well as expense, there should be some account taken of that. Basically, I agree with that. I think that out of the work of COHRAB and beween the Ontario Hospital Association and the Ontario Council of Administrators of Teaching Hospitals we will come up with a better weighting system.

None the less, what we have found in all of the utilization studies that have been conducted to date in the province, either by hospitals or for hospitals, is that the planning standards which have been outlined, of three-and-a-half active-treatment beds per thousand referral population in southern Ontario and four per thousand in northern Ontario, are adequate and reasonable when one adds to the consideration the questions of chronic and rehabilitation bed needs and extendicare needs.

It concerns me—and I have to accept that this reflects a shortcoming on my part as minister and on the part of the ministry that this hasn't been better communicated—that so much attention has focused on one side of the hospital bed equation, namely, the acute-bed side, without considering the other.

You will recall, Mr. Speaker, very well I am sure, the day you and I travelled to Nipigon to meet with representatives of five hospitals in your constituency. And you will recall that the meeting started off on a fairly negative, pejorative tone because it was all zeroing in on the question of active-treatment beds and what had been identified as a surplus in excess of the goal of four active-treatment beds per thousand.

The meeting took quite a different turn when I pointed out to the group assembled that while it was true that a surplus of acute-care beds had been identified, there also existed—and nobody to that point had mentioned it—a significant and a higher deficit of chronic-care beds in the area. That comes from using just the minimum standard of the ministry for chronic-care beds of 11.9 beds per weighted thousand population. Through 1979, in particular, although this had happened to some extent before, we have seen in a great many communities the move to convert acute-care beds to chronic care. I think this speaks well for the system for a variety of reasons.

First of all, what we found in most, if not all, of the accommodation surveys is that at least 10 per cent—and in some cases it is up around 15 and 20 per cent—of beds set up for and staffed for acute care are being occupied by people whose needs are chronic or long term. It is my view and the view of the ministry that those people are not getting the care they need.

A chronic-care program with the attendant use of various specialists like physiotherapists and occupational therapists is quite different from the usual acute-care medical-surgical program in most hospitals. I want to emphasize redeploying resources is not just a matter of simply changing the sticker on the foot of the bed. With redeployment we require that there be developed a full chronic-care program so these people get the care they need.

I do take issue with some aspects of the recommendations. For instance, in recommendation 5, the committee members—I guess

the majority of the Conservatives on the committee apparently dissented—talked about—

Mr. Conway: You wrote the damn dissent, and you know it. We paid Boddington $28,000 to write that type of stuff.

Hon. Mr. Timbrell: I thought it was very well written. I commended the members on their literary contribution to the proceedings of the committee.

[8:15]

In recommendation 5, Mr. Speaker, with the members of the government party dissenting, the committee suggested that where there's more than one hospital in a hospital centre "any proposed bed allocation should be divided among those hospitals on the basis of their share of the total referral population."

That concerns me because if you go back five years even, but certainly 10 years ago, any objective observer of the health-care scene, in particular the hospital scene in this province, would have to acknowledge that the operative word in hospital planning was "competition." Now the operative word more and more, is "co-ordination." We are having tremendous success in getting hospitals in hospital centres to co-ordinate their programs; to rationalize between acute and chronic, obstetrical services, paediatric services, surgical services, emergency services, and the list goes on.

Now we're starting to hear in places like Almonte and Carleton Place in eastern Ontario of hospitals voluntarily, without any prodding or urging from the ministry or the health council, rationalizing their services. They are recognizing that it is in the best interests of their communities to rationalize their services to the fullest extent possible to get the most effective benefit of those facilities, human resources, and considerable dollars committed to them, for the public.

Whether we're talking about a hospital centre with only two hospitals as in Brockville, or a centre with four or five as in Essex county, or 30 or 40 as in Metropolitan Toronto, I feel very strongly that we have to continue the emphasis on co-ordinated planning so we can effectively eliminate the many duplications of services and facilities that have grown up over the years. We have to look to the future as we add new services to ensure we don't regress to that kind of era, which really amounted to a terrible waste. It was a waste of not only money but human and physical resources. And it was paid for by the people of this province at a considerable price.

In the committee's report, they suggest "that the bed-allocation guidelines should be applied with sensitivity to the local situation and in consultation with local health-planning agencies." Again, this would stem from the consideration by committee members of representations made to them by representatives of a variety of small hospitals; again hospitals, generally speaking, of less than 100 or 125 beds in size.

In the last two years we did, in allocating the increases in budgets, provide for higher-than-average increases to the very small hospitals. This year, in tying budgets to bed-allocation formulas we did provide for what we call a 10-bed cushion for those very small hospitals.

On September 28, Mr. Speaker, the representatives of those five hospitals in your riding came down to Toronto along with representatives of the other small hospitals in the province to discuss small-hospitals policy. Among other things, I indicated to them that day that all hospitals under 50 beds are from here on in exempt from the application of the active-treatment bed guidelines. And, for those between 50 and 100 beds, the 10-bed cushion is being retained.

This is in recognition, sir, as we've held all along, that the very small hospitals have, obviously, the least flexibility.

While statistically they might be 10, 15, 20, 30 beds in excess of guidelines, there is a point beyond which they cannot trim any further and still keep the staff necessary to maintain a viable hospital program, we recognize that. They will, of course, vary from hospital to hospital. I am sure it was obvious to members before they started, but if it wasn't, it is now—

Mr. Conway: Timbrell for Premier.

Hon. Mr. Timbrell: Am I going to vote for you? What are you running for.

Mr. Conway: Timbrell for Premier.

Hon. Mr. Timbrell: After you, Alphonse.

Mr. Conway: I bet you those delegates in Penetanguishene are still swirling after this afternoon.

Hon. Mr. Timbrell: We had a great time. Too bad you couldn't be there.

Mr. Conway: Did you take Bette along?

Hon. Mr. Timbrell: We went into Oak Ridge and they were asking where you were.

Mr. Conway: I'll tell you, you are Paul Martin 20 years later.

Hon. Mr. Timbrell: Then we had a great reception with the local townsfolk. Now, where was I?

Taking account of the needs of the small hospitals, we have instituted these latest refinements in our policy. That was also the day I announced, through the medium of the small hospitals conference, that the government has seen fit, now that we have the proceeds of Loto Canada—or Super-Loto I guess it is going to be called—available to us from January 1, 1980, onwards, to apply those proceeds in Ontario to hospital capital, to add to the money that is coming from our statutory allocations.

The committee quite rightly spent a great deal of time considering the question of incentives. When I first came to the ministry and started to go around the province meeting with hospital representatives, administrators, boards, doctors and so forth, it concerned me no end to have thrown at me repeatedly the concern that there really was no incentive to find ways to save money—

Mr. Conway: Frank Miller is now Treasurer.

Hon. Mr. Timbrell: —that if they did the ministry simply took it back, so why bother?

I have to tell you, Mr. Speaker, that in the first instance my reaction to that was a rather angry one. It concerned me to have people tell me that you have to put in place fiscal incentives for people to save the public's money. I think that would concern all of us at first blush.

None the less it is obvious that when you are dealing with almost 250 community-owned, non-profit corporations, all of them owned independently by communities around the province, you are in fact dealing with 250 business enterprises and they should be dealt with in a businesslike way.

Early this year we introduced several new fiscal incentives for the hospitals, including the right to roll over unanticipated deficits and recover those in subsequent fiscal years from savings generated in-house, and the right to apply half of savings generated in the hospital to new programs agreed upon by the ministry and their local health council.

These kinds of incentives are just the beginning. I recognize they are certainly not all-inclusive and don't represent a comprehensive package of fiscal incentives to reward efficiency and encourage people to look even harder for ways to save the public's money. But they are the beginning and a subject that is being given a lot of consideration by the Committee on Hospital Resource Allocation and Budgets—COHRAB, as it has become affectionately known around the ministry.

Mr. Conway: It sounds like something from a Melville novel.

Hon. Mr. Timbrell: I was pleased that the committee saw fit to recommend—and if I may, I'll quote again recommendation 9—"that this committee endorse the efforts of hospitals, district health councils and other local health-planning agencies to rationalize health services where appropriate by encouraging co-operative planning among hospitals. The committee also supports the use of independent experts to assist hospitals in examining their operations."

I was pleased to see that, because the hospitals have, in fact, been very successful to date in looking at their fiscal situations by the use of either the Ontario Hospital Association's cost-effectiveness team, which we were pleased to assist in forming in 1978 with a grant of $250,000, or external private-sector consultants, in finding ways to provide at least the same services, in many cases more, but through redeployment of staff and better use of their facilities do it in a more cost-effective way. This goes beyond the walls of any one hospital, to the point where they have to start looking at their relationships to other hospitals. I want to cite a few examples.

I've already referred to the initiative taken by the two small hospitals in Lanark county. I want also to commend to the members of the House the efforts under way in North Bay. I know the member for Nipissing feels just as proud of the efforts of Sister Margaret Smith at St. Joseph's and her counterpart, Mr. Hastings, and the board at the Civic Hospital for what they've done in the last number of years. They have gone through phase one of their rationalization, which included obstetrics and I believe paediatrics, and gone on to phase two, with extensive rationalization between the two hospitals to ensure they eliminate duplications and cover up a few gaps that heretofore haven't been met.

Mr. Bolan: Can I tell them tomorrow they're going to get it?

Hon. Mr. Timbrell: We've co-operated with them to the fullest of our ability to date and they certainly know of my support.

I want to commend to members' attention the role study which the hospitals in Elliot Lake and Blind River undertook. This was, even for me, a great surprise when I went to Elliot Lake about five weeks ago to receive the role studies.

The goal for acute-care beds in northern Ontario is four beds per thousand population. In this role study which was carried out for the two hospitals by a firm in Ottawa by the name of EH and E—I won't try and

recall what each of the letters stands for—the consultants proposed to them, and they agreed, that their goal will be to have three beds per thousand population. That's not the kind of message I'm used to getting or which members of this House are used to transmitting to me, as Minister of Health.

They also went on to propose that they would have fewer chronic-care beds and fewer extended-care or nursing-home beds than even our minimum guidelines provide. In moving from the existing 4.5 beds per thousand which they have today to these levels, they proposed that we develop a number of outpatient and community programs in their area to meet the other requirements—programs which already exist in many other parts of the province and which are yet to be developed in that area.

There are many other examples I might use. I might even go back to the five hospitals in Mr. Speaker's constituency.

As a result of the meeting he and I had with them on May 24, they agreed to set up a task force which has now in effect become a subcommittee of the district health council to rationalize between acute and chronic services and to maintain viable programs in each of the five hospitals. It also will go further and examine what they need in the areas of laboratory and radiological services in order to provide a good basic level of care in those two respects, rather than having to rely so heavily on laboratory services in Thunder Bay. Mr. Speaker will recall their talking about samples freezing in cabs on their way to Thunder Bay in the wintertime or getting lost and having to rely on trying to call people in for X-rays in the middle of the night.

I was pleased, along this line, that the leader of the third party recognized there is room for further rationalization in the hospitals at his press conference two or three weeks ago when he talked about the potential as he saw it for hundreds of millions of dollars being freed up to be redirected, although that obviously wouldn't be done all at once because of the dislocation.

[8:30]

That leads me to the question of alternatives being in place prior, as the committee put it, to further withdrawal of funds for institutional care. The process of planning for health care, and in particular, of planning for hospitals is an ongoing, evolutionary process. In fact, in a great many communities, and I'm thinking particularly of places like Thunder Bay and Hamilton and Ottawa, where virtually the whole range of community-based services that are available for funding and approved for funding by the ministry are already in place—the chronic home-care program, the placement co-ordination services, the great use of outpatient or daycare surgery in hospitals. Even there the members felt that somehow you could leave everything exactly as it is, build up the alternatives and then cut off that which you are seeking to change.

Unfortunately, the system doesn't work that way. It is an evolutionary process. Hopefully it will proceed without too many bumps and inconveniences and by and large this is the way it does work. But at a time when we are trying not only to maintain the quality of the health-care system but do it within our financial means, it means that in Windsor and Brant county and in the metropolitan areas—in fact, in every community of the province—look for ways to free up money from existing allocations to apply to other services. I know that my colleagues on the government side particularly objected to that recommendation and so indicated in their dissent.

I want to take a minute to read into the record some comments that came from the chairman of the board of the Smiths Falls Community Hospital. Members may recall, those who have been health critics or members of the social development committee for a number of years—

Mr. Conway: Bring out the violins.

Hon. Mr. Timbrell: I used to play one.

Mr. Conway: I bet you did.

Hon. Mr. Timbrell: You bet.

When it was determined the best interests of the provision of health care in that community suggested the two hospitals in that town should be merged, there was a great deal of conflict and controversy. My colleague, the Minister of Government Services, (Mr. Wiseman), who was then the parliamentary assistant to the now Treasurer (Mr. F. S. Miller) and for about a year to me, really did an exemplary job of explaining to his constituents why this was being done. It wasn't a matter of change for the sake of change but rather change to bring about more effective use of human, physical and fiscal resources.

It's interesting that the chairman, in a letter to the ministry in March of this year, said, "Because of staff adjustments the budgetary savings caused by amalgamation and the institution of streamlined systems and controls in most of our hospital functions, our auditors and accounts department believe we will end our fiscal year at March 31, 1979, with a balanced budget rather than the $300,000 deficit you predicted."

It had been predicted by some of my own staff, as well as by some of theirs, they would end the last fiscal year, 1978-79, with what would be for them a very large deficit. But, in fact, they found the benefits of the amalgamation and rationalization were such that they balanced the books.

He finally said in his letter to Mr. Rowe, chairman of our eastern Ontario area team, "I know you must be as pleased as we are to find that amalgamation really does work and that a situation even as bad as ours seemed to be can be corrected with proper administration coupled with board's supporting control."

Obviously amalgamation is not the answer for every community. In fact, there would probably be very few other communities that will have that kind of amalgamation. The solution for each community must be tailored to each community. But the point there is that even in a town where there were tremendous, repeated and lengthy protestations and predictions of doom, gloom and dire consequences, after the dust had settled and after a lot of hard work on the part of the local MLA, the staff of the ministry and the board of the hospital administration—I particularly want to pay tribute to the previous administrator of that hospital who put himself in hospital working so hard on it—a better hospital health-care delivery system has resulted for the people of Smiths Falls than was there before.

I want to spend a couple of minutes on the last recommendation and then I'll yield the floor to my friend, the member for Renfrew North, in whose county I will be tomorrow to deal with the 10th and final recommendation of the committee.

The committee, in recommendation 10, said, "The committee recommends that a hospital appeal mechanism be established." This is not a new recommendation. There was in fact a resolution passed at the last annual meeting of the Ontario Hospital Association, one of whose representatives is in the gallery tonight. We welcome him. He is newly returned from the province of Nova Scotia where he was the Assistant Deputy Minister of Health.

At that time they indicated—I guess probably by a unanimous vote—that there should be an appeal mechanism external to the Ministry of Health that would review any situation where a hospital had appealed for supplementary funds and had been turned down or only approved in part by the ministry.

For many years we have had in place a fairly elaborate and well-understood appeal mechanism within the Ministry of Health. We've actually expanded it a bit this year by using the area teams of the ministry as the first point of contact to, hopefully, resolve any concerns of individual hospitals, with eventual appeals up through what we call the senior appeals committee and eventually, if necessary, right straight through to me as the minister and elected head of the Ministry of Health.

It amazes me—and I know my colleagues on the government side dissented strongly with regard to this recommendation—that we would even have before us in the House tonight the notion that in effect we would as an elected Parliament turn over $2.25 billion, which is approximately the amount of money being spent on hospitals this year—$6 million a day—to a non-elected, extra-parliamentary, extra-governmental body.

Mr. McClellan: Whose proposal is that? Is that your proposal, Dennis? It must be your proposal.

Hon. Mr. Timbrell: The resolution passed the hospital association convention in 1978. In follow-up meetings to that convention I indicated to the executive of the hospital association that I could not in good conscience consider their recommendation. For good or bad, under our system of government it is the minister and the executive branch who are ultimately responsible and who have to answer for the allocation of the funds. I'm prepared to do that. I've never shirked from that. I couldn't contemplate turning over that amount of money to an external process that would give to a non-elected body our right, as elected representatives of the people of this province, to tax, to raise moneys and to provide such a basic service as health care.

You have sensed from my discussion of the first nine recommendations, Mr. Speaker, that I either accept a lot of them or we're already carrying out a lot of them—we're working with the hospital association and the Committee on Hospital Resources Allocation and Budgets on a lot of them. Number 10 is one that as a member of this House, never mind as Minister of Health, I could not possibly accept. Therefore, I would recommend to the members of this House that the motion to adopt not be passed.

Mr. Conway: My colleagues of the Liberal caucus would like to participate in tonight's debate, therefore I shall restrict my remarks to a few moments so my colleagues from Brant-Oxford-Norfolk (Mr. Nixon), Essex North (Mr. Ruston) and Kitchener-Wilmot (Mr. Sweeney) can add their words of wisdom to the debate.

I really found it interesting that the minister should have dwelt as he did upon the

final recommendation of the report in question, but I'd like to return to that a little later. It is with some pride that I, as health critic for the Liberal caucus, reflect upon the process that brought this report into being.

You will recall, Mr. Speaker as the Minister of Health pointed out in his introductory remarks, there was a special reference made this spring dealing with the matter of the closure of the Lakeshore Psychiatric Hopital, a report which we shall be dealing with in this chamber in a few days, I understand.

I well remember my colleagues from Grey (Mr. McKessock), Haldimand-Norfolk (Mr. G. I. Miller), Huron-Bruce (Mr. Gaunt) and others bringing to my attention their special concern about what was happening in the public hospital sector as a result of the ministry's new active-treatment bed ratio as announced earlier this year. It was on their behalf I asked for, and was gratified to have received, reference on the impact of that new active-treatment bed policy.

Together with what we found in the Lakeshore Psychiatric Hospital inquiry, the evidence brought forward in the brief hearings which were involved in the matter of the active-treatment bed question, confirmed for some of us the deep-seated concern we felt for many, many months about the nature of planning and policy within the Ontario Ministry of Health.

I believe the honourable minister when he said he was chagrined, if not shocked, at some of what he encountered when he became minister almost three years ago. I am not surprised to hear him say that, although I am a little nervous to think where some of his immediate predecessors now rest.

As a member who came here in 1975 I well remember the major initiative of his predecessor. I don't want to debate the specifics of the hospital-closure program entered into by the now Treasurer, ably assisted in his short-term departure while he recovered from his illness by the now Minister of Education (Miss Stephenson).

What I do think is interesting and instructive in that connecton is to remember just what the public of Ontario was able to see when the statistical basis of that particular initiative was scrutnized in the chamber we are in tonight and in the public domain generally.

Do you remember, Mr. Speaker, the way in which those regression analyses, those statistical centrepieces which were aimed at closing the hospitals, the Doctors Hospital and the other hospitals in Ontario, stood up to the scrutiny of that cross-examination? If you ever needed some indication of how capable is the planning and policy-making within the Ontario Ministry of Health, I dare say that is a good place to start.

Mr. Roy: You make a decision and you try to justify it with statistics.

Mr. Conway: Think of this government in the sunny days of the 1950s and 1960s. I can even remember as a relatively young person 17 years ago, watching the late Premier, Leslie Frost, cut the ribbon with Jim Maloney and other dignitaries of the day. I remember how often that particular performance was repeated by Eric Winkler in Hanover, by the honourable Minister of Housing (Mr. Bennett) in Ottawa, and I am sure even by the now Minister of Health. Boy, did they stand in the sunshine and take all the credit. They cut the ribbons, they smiled and they chatted with the ladies' aid.

Mr. Ruston: Most of the money was coming from Ottawa.

Mr. Conway: That's right, as the member for Essex North properly points out, most of the money was coming from Ottawa. They stood in Hanover and they stood in my home community; they stood across the province cutting those ribbons, smiling and saying, "Build, build, build," ignoring what were clear demographic trends as we knew them to be in the late 1960s. They were building in health as they built in education, recognizing the great and glorious politics of bricks and mortar would be remembered at least until the next election.

Mr. Roy: Making it sound as though the money was coming out of their own pocket.

Mr. Conway: That's right, offered out of their own good graces.

Mr. Haggerty: Robarts was smart and said, "I've accomplished everything."

Mr. Conway: They realized in 1974-75 that something had to be done to correct problems of their own making. There is a special joy in being able to highlight some of the great achievements in the 36-year old dynasty. In 1975, they set out in that memorable way to set a new course for the public hospital sector of Ontario. And what a way to make policy for the late 1970s. What a way to convince the public of Ontario this was a ministry, this was a government, that understood what it was about and what it was trying to do.

[8:45]

I know and I well appreciate that all members of this assembly will not quickly or easily forget the debates that centred around that particular policy, a clear and flagrant example

of how utterly incapable this government, charged with the responsibility to spend $3 billion in the rough approximate back then, was to provide quality health care for the people of Ontario—these hundreds and thousands of bureaucrats under the aegis of the Minister of Health. This was the ability they brought to bear upon health-care planning as late as 1975 and 1976.

Fortunately, the good people of Durham and elsewhere indicated in such a very resolute fashion they were not going to be dictated to, at least on those kinds of criteria, by the minions of the Hepburn Block that they won the battle.

We then had the financial squeeze that strangled the public hospital sector of this province in a very real and meaningful way. This spring we had every indication from those in the health-care sector that the quality of care was, for the first time in a long time, being seriously threatened and really compromised.

Many of them said it was a difficult thing to quantify, but there was little doubt in my mind and in the minds of many people, and I include the Minister of Health himself, because I know what he had to do this spring—as to what the situation was. Poor little Dennis, with cap in hand, plaintively knocking at the door of the Premier; begging, literally begging, for a reprieve. This particular Minister of Health, a young, ambitious, and I am told, an upwardly-mobile personality within the government caucus, being forced on a daily basis to act as a bum-boy across the province. To go to Ottawa and to go to Thunder Bay, to go to Peterborough and explain why it was the government could offer so little when clearly so much was required.

I must credit the minister because he won part of his battle. He convinced the Premier, if not his colleagues, that massive new appropriations in the short term were required. He got most of what he wanted. Let me say, ever since our committee started probing around this spring the honourable minister has been finding millions, tens of millions, and I understand from the lottery announcement, even $100 million.

In fact if one adds up the two supplementary estimates and throws in the lottery funds, the Minister of Health has found, by my rough calculations, about $250 million in the last seven or eight months.

Mr. Roy: Way to go, Dennis.

Mr. Conway: He deserves a credit for that. Because we heard what the chamber of commerce was offering by way of advice to his boss yesterday. We know the kind of struggle he has with many of his caucus colleagues who have a certain view on these social commitments.

I understand we have a new deputy minister and other senior new bureaucrats for many of the same reasons. That the time had come to clearly reorganize, not only the policies but indeed the priorities and in fact the personalities within the Ministry of Health.

Don't be mistaken, Mr. Speaker. You have been around here a lot longer than I have but we can look at the Ontario Ministry of Health and we can see a great deal of change in the past six or eight months. I think some of it is a happy recognition by this minister and I hope his cabinet colleagues that their misguided assault on the public-hospital sector would carry a little bit, and in some cases much, much too far.

What about the report we have here today? I certainly was interested to hear what the honourable minister had to say about the recommendations. To be sure, as a committee of 14 members we had a limited time in which to discharge our mandate. I would be the first to admit it was but a cursory examination of a very serious and real problem. But let me tell the minister, as he knows—and his friends from Mississauga South and elsewhere can tell him if he has forgotten—that there were some pretty important witnesses brought before us to lay clear their concerns and very legitimate grievances about the conditions in which they were working.

For example, the minister says in his remarks that the first recommendation states that "alternatives to institutional care must be in place in the community prior to further withdrawal of funds for institutional care," and he makes great statements about how impractical that might be in many cases.

Let me make the general observation that in areas like Windsor—I would expect my colleague from Essex North to direct his remarks in this area, and I know my colleague from Huron-Middlesex (Mr. Riddell) could do it equally as well—we have had the clear indication from all kinds of people in the health-care field that, as active-treatment beds are being cut away from the public hospital sector and as every emphasis is being placed on the need for alternative kinds of delivery, the government refuses in many cases to put in place those facilities or the kinds of mechanisms that would bring them into being.

I well remember being in Goderich on one winter's day last spring and hearing complaints from a whole group of people about their chronic-care situation.

Hon. Mr. Timbrell: The member should have heard them at the small hospitals conference. They got up and said what great things the ministry had done.

Mr. Conway: Let's talk about the small hospitals conference, because I probably have been too nice tonight so far.

This is the same government that stood here four years ago and said that X small rural hospitals had to be closed because the government, through the Ministry of Health, had all this marvellous evidence which proved it to be so. Well, earlier this year, this Minister of Health stood here and unilaterally applied these new active-treatment bed ratios. He stood here and offered the public hospital sector of this province new active-treatment bed ratios.

Hon. Mr. Timbrell: They are not new.

Mr. Conway: What did he come to recognize nine months later? Mr. Speaker, do you know what the Minister of Health recognized when he spoke to the small hospitals conference in September? He, like Paul or whoever it was on the road to Damascus—

Mr. Nixon: Saul.

Mr. Conway: Like Saul on the road to Damascus—

Hon. Mr. Timbrell: Now we know what kind of scholar you are. But carry on.

Mr. Conway: I hope some of us can be excused, because Monday night had a very unsettling effect.

Mr. Nixon: Some of them are leaving the church.

Mr. Conway: I just want to say to the minister that he, who made that announcement earlier this year, then came back eight or nine months later and revealed that now he understood small hospitals were different.

Hon. Mr. Timbrell: Read the whole speech.

Mr. Conway: He sent the whole public-hospital sector into a great tailspin as a result of his announcement early this year, sending all kinds of special delegations across the province, sending members of his office, sending letters helter-skelter, wondering how it is a small hospital of 30 or 40 beds is ever going to deal with the new active-treatment bed ratios—

Hon. Mr. Timbrell: They are not new.

Mr. Conway: —and then he stands up in Toronto on Friday, September 28, and says, "Ladies and gentlemen, you should be so lucky, because I now recognize that small hospitals are different. The small hospitals of northwestern Ontario are a little different from Toronto General, and we will now reconsider our earlier position and treat them differently."

How very generous of the minister. How incredibly perceptive of the minister. This is the kind of politics that really disturbs me and, I know, a great number of the people of this province.

Why could the minister not have made that commitment before he made his announcement earlier this year? Surely even the crowd that's underneath the gallery tonight, representing, I am sure, at least a quarter of a million dollars in annual salary —I am sure those people could have advised the honourable minister as late as the fall of 1978 that small hospitals were different, that they deserved special treatment.

Now he comes to Toronto in September. We know what he says to the Speaker, the member for Lake Nipigon, or at least implies, "How very fortunate those people are who travel that distance." I am sure he would say to my friend from Huron-Middlesex, "You had better go back there and tell those people in the Bruce peninsula that we have really done wonderful things for them." Yes, he has done wonderful things for them, after the wisdom and the obvious justice of their case was visited upon him and after a lot of unnecessary anguish and disruption and dislocation in the hospital community.

I warn the minister, I warn him as I believe he no longer needs to be warned, that this kind of policy formation and these kinds of assaults, on the small hospitals in particular, have reduced the credibility of his ministry and of the minister himself in many ways, I would say, to a dangerously low level.

If I were on the board of a small hospital and if I had been sitting there listening to that speech on September 28, the minister probably wouldn't have received too gracious a response. What he gave us on September 28 was what should have been provided at the very outset. Tonight he says in that indignant way of his that the 10th recommendation in this report is absolutely anathema.

The putative minister of all cases, the Minister of Education, says it is unnecessary. The committee recommends that a hospital appeal mechanism be established. It is unnecessary, it is said.

Hon. Miss Stephenson: We have one. We've had it for years.

Mr. Conway: The government might have it. I don't doubt it has a mechanism, but the problem, I would tell my dearest ministerial friend, is that the people in Atikokan, the

people in Essex, the people in Deep River and the people of this province don't know what it is. If it exists, it exists only in the minds of the cabinet and the senior bureaucracy.

Hon. Miss Stephenson: You are wrong.

Mr. Conway: Does my dear ministerial friend know what the public perceives to be the appeal mechanism? Let me tell her what they perceive it to be. They perceive it to be a dutiful trip to the Hepburn Block, where they gather together their friends from the hospital board and those citizens in the community who might be useful, for a collective genuflexion before the honourable minister. That's what they perceive it to be. If my friends in York Mills can find on their board a sufficiently blue-ribbon delegation to go forward to their honourable local member, she will no doubt take them by their hand to the honourable Minister of Health and, if they are good souls and make a nice conciliatory case, they might, God willing, be granted something special.

Mr. Roy: Start the meeting with the Lord's Prayer.

Mr. Conway: I would agree with my friends in the government that that surely is an absolutely inadequate way to transact the public's business.

Hon. Miss Stephenson: But that's not the way it's done.

Mr. Conway: That is the way, my dearest ministerial friend, that it is done.

Mr. Deputy Speaker: Perhaps the honourable member would address his remarks to the chair and disregard the interjections.

Mr. Conway: You do well to direct me away.

Mr. Ruston: Bette, go get a balloon and blow it up.

[9:00]

Mr. Conway: The minister might well be upset, Mr. Speaker, that this recommendation is considered redundant. Let them come forward and tell this House exactly, and more appropriately tell those 250-odd public hospital boards exactly, what that appeal mechanism is. Let them go forward and advertise, because we don't all have the great influence in the corridors of power the member for York Mills enjoys.

Mr. Foulds: Not much.

Mr. Conway: I think that's the point members on that particular committee were striving to make with recommendation 10.

I sat in Ottawa. I can well remember being told there and elsewhere that as far as an appeal to the ministry or the government is concerned they haven't the faintest notion, but they heard at the last OHA clambake that if they got together they may find some of their friends who had a good hearing with the minister in his office. It's sort of reminiscent, and I know the Minister of Education will have a warm and reflective thought in this connection, of what this Minister of Health offers people faced with significant opted-out fees in the medical sector. The minister's appeal mechanism is to phone the OMA and maybe phone the minister from York Mills and they will act as the arbiter in this particular case the minister brings forward.

It's really an interesting appeal mechanism when you stop and think about it. Certainly, I had a very lengthy discussion about it with the general secretary of that illustrious medical association the other day. When I think about that particular appeal mechanism, it reminds me of what I'm sure the minister considers to be an equally adequate one in so far as the hospital budgeting process is concerned.

Let me summarize that particular point again, Mr. Speaker. From the hearings at which I was in attendance it is clear that is an appeal mechanism simply unknown to the vast majority of the citizens and in particular those involved community people sitting on public hospital boards. For that reason recommendation 10 is perhaps the closest and dearest to my heart and the very reason why I would offer and recommend—as I know my friend from Oshawa (Mr. Breaugh) will do when he speaks in this debate—this report for adoption here this evening.

Mr. Speaker, I have wandered somewhat. I know honourable members will recognize the transparent, uncontestable wisdom of recommendations 5 and 6. I see my good friend from Sault Ste. Marie (Mr. Ramsay) who participated very positively in these deliberations and I know exactly how he feels. I certainly want all members to understand the great degree of unanimity which this particular report enjoys and how, in particular, the minister's injunction with respect to recommendation 10 is to be rejected for the very reasons which I have stated.

Mr. Roy: They'll all vote according to their conscience.

Mr. Conway: Finally, Mr. Speaker, to allow some time for my other colleagues I want to say this: These two exercises—the one on Lakeshore and the one on the active-treatment bed ratio question—I think produced some very meaningful results, most of them I suspect in-house. It really makes me think a

far better way has been found in our Health estimates debate to deal with public policy in that particular part of the social development field.

Normally this government has through the estimates process an enormous advantage to sit there and allow the 20 hours of endless discussion. It's sort of a miasma that goes nowhere. There's no focus, there's no particular beginning, and there's not much of an end. One runs through a series of votes and the one great thing about it all is there's never too much accountability.

I must say the experience last year on the OHIP matter, and this year on these two particular references, has made me all the more eager, when the Health estimates roll around next year, to find one or two more specific and special references so we might more carefully, specifically and productively examine what is being done in our name in this particular and very important ministry. After looking in the door this year on this particular reference and on the Lakeshore matter, I must say that my enthusiasm is altogether encouraged.

Mr. Breaugh: I rise in support of the committee's recommendation and the adoption of the committee's report. I do so recognizing there are some faults in the process.

This committee attempted to examine a very complicated field in a relatively short time period, did not have staff resources and had a tendency to have appear before it those who were either the most irate in terms of funding of hospitals or the most apologetic on behalf of the government. It was difficult in that short time span to get a reasonable perspective on the current situation in funding of hospitals.

To do so, I think we also have to recognize that one needs to see what is going on from several perspectives within the hospital-care unit. In the committee's deliberations there was, I think, a tendency to lean too heavily upon hospital administrators, buzzwords and catchwords, funding mechanisms and the latest little pieces of jargon and guidelines that had been laid down. There wasn't a great deal of time for testimony by doctors, nurses, hospital workers, patients or communities that offer a different perspective on what is happening in hospitals. In order to be reasonable about it, one really needs to get all of those perspectives in place and then to make a judgement about whether they are working or not.

I am not aware of very many members in this House who have ever used the words, "The system is crumbling." I think all of us are well aware that there are cracks there and very severe problems, particularly in funding and in staffing.

Frankly, I was quite pleased with the minister's attitude this evening. If one reads the report one will notice a rather upset minority dissenting opinion in there by Progressive Conservative members of the committee. I was pleased to note that the minister was, in my view, quite conciliatory this evening and quite repentant, acknowledging in his own little, diffuse way that that committee had identified some problems.

I am pleased to remind the House that over the course of the summer, since the committee put in its report in its own little way, backhanded though it be, money has been shaken from the proverbial tree. Wrongs that were identified in the committee report have at least been verbally rectified. Things that were no problem at all in the spring of this year, according to the minister, which were hammered down by this committee in its little investigation, have been at least recognized and some attempt has been made to deal with them.

I would like to put on the record some comments that were made by administrators around the province on the committee's report and on the funding mechanisms currently in place. This one is from St. Francis Memorial Hospital in Barrys Bay. "The system of funding hospitals is unfair in that it tends to reward inefficiency and penalize the hospitals which do operate as efficiently as possible." I think that is borne out by comments to many members in their visits to the hospitals throughout the province.

I would like to put in this little comment from the Kirkland and District Hospital in Kirkland Lake. "I feel that the Ministry of Health were not realistic in their timing when they allowed less than two-and-a-half months —from January 19 to April 1—to implement bed reductions and the resulting financial restraints. While most hospitals had heard the figures of four beds per thousand or 4.5 beds per thousand respectively being tossed around by the Ministry of Health officials, we were not aware how or when these bed cuts would be applied." I think that is another commonly heard comment, that these things had been talked about for some time but advance warning was minimal, if there was any given at all.

This one is from the Cornwall General Hospital. "It is somewhat devious on the part of the PC minority dissent to argue that chronic home-care is already in place, when this is by no means universally accomplished but exists only in a few select centres." That

speaks to the practice of the government to do the right thing in a very small number of places and then pretend that it exists all across the province.

Here is another comment from the administrators of the Greater Niagara General Hospital. They have a motion that a letter be written to the Ministry of Health, protesting the imposed bed cuts and asking for a review of priorities. They include this explanatory note. "The above motion stems from a genuine concern that the arbitrary bed limits, accompanied by underfunding of inflation, may pose a real threat to the access to acute-treatment hospitals in the not-too-distant future."

Here is another one from Kenora, from the Rainy River District Hospital. "There are, however, some indications of problems. For example, most of our hospitals are experiencing problems with ambulance budgets and several have indicated that they may give the service back to the Ministry of Health. These hospitals have been running a deficit for several years but were able to take the money from their global budget surplus. For most, the surplus has disappeared."

One further quote from this particular administrator. "Certainly in some cases, particularly in rural areas, alternatives have not kept pace with bed cuts. The development of small extended-care units attached to hospitals is one example which is bogged down in legislative restrictions, or perhaps the lack of them. In many cases we believe active-treatment beds should be reduced if other inpatient resources are offered."

One final comment from administrators. This one is from Lindsay, which is particularly ironic when one considers the contribution of Leslie Frost to the implementation of medicare.

Mr. Conway: Oh, the barber's chair is worn pretty thin these days.

Mr. Breaugh: It does seem to speak to the question of whether or not there is an appeal system. Some administrators seem to think there is; others think there isn't. No one has ever laid out for me what that mechanism is or where you go or what you do. I think I know what it is but it has never been put down on paper for me.

These are quotes from the 1978-79 budget letter from the director of the institutional division of the ministry. It states: "Your budget should be prepared to conform with the net ministry liability figure. Only appeals involving arithmetical errors can be considered. If your hospital spending exceeds the net ministry liability at year-end the excess will have to be funded from your own resources."

Similarly, in the 1979-80 budget letter from the assistant deputy minister, institutional health services, it states: "The ministry has allocated all of its funds, with the exception of the limited amounts described in the preceding section. Hospitals should plan to live within the funding provided. The ministry has no contingency funds for appeals." It does make you wonder precisely what is going on.

In one of our little visits to hospitals around the province we had a rather unique experience at Windsor Western Hospital. The administrator and the chairman of the board of Windsor Western came right to the point. They put it as precisely as I think anyone can. "You cannot take a budget which offers a 4.5 per cent increase and work it into a system that faces a 28 per cent increase in drugs; a 14.4 per cent increase in the provision of food services; for surgical supplies, seven per cent or better; for equipment, 15 to 20 per cent and for other items from five to seven per cent and look at contracts that are running in the area of seven to nine per cent. It just does not fit."

In this instance of Windsor Western, a very simple way to solve the problem is to cut staff. They identify very carefully in document form some of the severe problems that hospitals have in trying to operate in an efficient manner, providing good care and they can't do it.

The question of level of care is one that is a sensitive area. There have been two reports released to the public trying to assess at Wellesley Hospital how much that level of care has dropped. Almost all administrators I have talked to and most physicians I have talked to admit that the level of care is different. But it's a rare administrator who wants to admit that he or she runs a hospital where the level of care is not adequate. It would certainly be an unusual physician who admitted that the level of care he or she provides to his or her patient isn't good enough. But they all choose their words carefully, and they all admit that the level of care has changed and has dropped substantively.

One may argue about the public's right to know about such matters. But it seems to be to no avail in this province because the public has a terribly difficult time getting that information.

Another component of the provision of hospital care is nurses. I must give credit where credit is due. It was some two years ago

when the nurses' association in this province put out the brochure called Let us Take Care.

What they did in it was document their work situation—the changes in the staffing patterns in hospitals, the changes in the work conditions, the roles that are played by different people and how difficult it was even at that time—and I must say, in my conversations with nurses over the last three or four months, that situation has grown progressively worse.

We should also remember we sometimes tend to think it is the brilliant neurosurgeon or the brilliant heart specialist who is the core of the system. That individual cannot function without a health-care team functioning around him. When the operation is completed, the surgeon may go elsewhere, but it is the nursing unit which keeps that patient alive. It is the common worker in the hospital who keeps the hospital condition sanitary enough so this person can continue to live. So there is no component of the team which can operate in isolation. If you only had the greatest neurosurgeons in the world working in the hospital they wouldn't be able to do many people much good because they do not have the skills to do many things which must be done.

[9:15]

It is perhaps more dramatically put by people who are known in the trade as hospital workers. Hospital workers have fear in their hearts these days to say what they know is happening in the hospitals. I recognize that that fear is valid. Many of them who have some kind of union protection or security speak their minds as this man did in Hamilton. This is from James Fuller who is a vice-president of Ontario Public Service Employees Union, representing a number of the hospital workers in the Hamilton area. He uses these words:

"We at OPSEU have no hesitation about placing the blame where it is due for what we believe has been a serious deterioration in the level of service available to the citizens of this province. It is obvious to all who have eyes to see, and a mind to understand, that the deterioration of Ontario's health-care system is the result of a deliberate political decision by the Progressive Conservative Party of Ontario to cut back government spending regardless of the impact on service."

Those are harsh words, delivered with an immense amount of emotion. They are words delivered time and time again to me, to my colleagues, and I'm sure to members from all sides of the House when they choose to visit hospitals and speak to all the component parts there.

The newspapers of the province continue to be full of documentation of the funding problems in hospitals. If I might perhaps oversimplify them in order to save a bit of time this evening, they are twofold. There is not enough money to make the hospitals work the way they want to work. That is clear in almost every situation. A hospital administration and a hospital board may choose to run a deficit in the faint hope that somewhere some money will arrive, but there are no assurances. They may cut staff, and that goes directly to the matter of level of care.

While we talk in this House this evening there are nurses and hospital workers alone in wards in the province of Ontario. They are dealing, unfortunately, not with some matters of convenience and inconvenience but with matters of life and death. No one in this House has conscientiously travelled the province and talked to a health-care worker who hasn't had it put to him that last night a nurse made a decision she didn't want to make. That's why nurses around the province are fighting very hard for a professional responsibility clause to assign responsibility. The theoretical doctor isn't there at 1:30 in the morning but the nurse or hospital worker is. That question remains unresolved.

I feel very strongly on this matter. It is not a paperback book; it isn't something that is going to be solved by handing over $500,000 to an American consulting firm, that isn't where the problem lies. It will not be resolved by letting the doctors decide how the hospitals should be run. It is a problem of our society. The hospitals must clearly be in place and adequately funded to provide good patient care. That is the prime requisite for any government's funding of a hospital system. It isn't to give the doctors a place to practice super-surgery; or even one to provide employment to the people, although it does do that. It is a substantial part of our industrial growth. It is there to provide care to people who need care. How it does that, and whether it does it effectively or not, is a very complicated piece of business. The primary purpose of a hospital is to care for the sick, as it always has been.

Yesterday I went to Kingston. I visited a hospital I had been in many times when I was a boy. My parents were of that Irish persuasion that has a thing about visiting the sick. So as a young lad I was dragged to hospitals all over Kingston and Belleville with my mother and father to visit their friends who were sick. We used to go to one called St. Mary's of the Lake in Kingston. It

was run by the Sisters of Providence. They were an imposing lot of brilliant women; dedicated but very harsh from time to time, particular their habit was a little harsh. It was a dull and drab place. It was a place where old people went to die. As a young boy I didn't like going into that place; it wasn't a pleasant experience. There were old people who were sick and moaning, and I didn't particularly like that. I wanted to go out and play hockey.

It was with a little trepidation that I went back to St. Mary's yesterday. I didn't recognize the place. It's now called a geriatric hospital, not a chronic-care hospital. I was met by an administrator who was certainly a different breed of cat.

The administrators I've met across Ontario are a little nervous when an opposition politician comes in. They're not sure how much information this guy should really have. They tend to rustle around computer printouts at you and work the jargon on you. They make sure that you don't leave their administrative offices.

Sister Sheila Brady did several strange things. She looked me straight in the eye, something a lot of administrators have a tough time doing, and she smiled a smile of welcome and of confidence in her ability to administer a hosptal. She wouldn't let us sit around her administrative offices; she was anxious to get me out to see where the action was.

It's a remarkable place. It's an honest-to-God geriatric hospital with sunlight in it; not just pink on the walls but sunlight and bright colours. People smile in there: both the staff who are happy in their work, although they're heavily overloaded with work; and the patients themselves who are getting well, the prime purpose of anybody being in hospital.

I noticed a number of remarkable things. I walked into the reception area and the desk was at my knees. The top of the desk came to my knees. That's a little strange. I turn around and a guy in a wheelchair goes by. I find out that when patients in wheelchairs come in they sit and look the person who's working in the reception area in the eye. I said, "That's a remarkably clever idea. How'd you ever come up with that?" This woman was audacious enough to take the architect's plans and bring them back to the patients and talk to them about the little things that would make a difference when they were coming in and when they live there. That's a hospital facility that is succeeding, finally, in some of its potential: in terms of staff, highly and dedicated and efficient people; in terms of equipment, probably some of the best there is.

In other words, here is a geriatric institution that is succeeding. Here is a bright group of people working very hard, and the tragedy is geriatrics is a field not seen to be the superstar of medicine. But they are succeeding, not just for the people in their care in that hospital but for an entire community. People from the community use the facilities they have. Most of their traffic comes from people who are non-residents of the hospital. It works; it's succeeding.

Of all the cruel things that a government could do, of all the dumb things that government could do, one would be to put a cost squeeze on St. Mary's. It is finally realizing its potential in a field that's going to be increasingly important in the latter part of this century. The thing that aggravated me most about that yesterday was the thing that made me feel the best.

Hon. Mr. Timbrell: You mean the extra money for the day hospital?

Mr. Breaugh: It was Sister Sheila herself, an administrator succeeding at her task; an administrator who cares about her patients, who gives them priority, who puts together a health-care team that is overloaded but wants to do its job and is happy in its work and is succeeding. This government has taken that wonderful human being and made her a tax collector and she doesn't like it.

She does not like to look her patients in the eye and demand $10.05 a day. They've made that part of her job.

Hon. Mr. Timbrell: You recommended it.

Mr. Breaugh: You think it's nice and you think it's cute to come into this House and twist the words of a select committee's report for your own political purposes. Let me tell you, Mr. Speaker, Sister Sheila Brady said it yesterday—you're wrong; I say it again today—you're wrong.

Hon. Mr. Timbrell: Did you accept her advice?

Mr. Breaugh: You, Dennis Timbrell, who hope to be Premier, will be remembered in the history books of this province as the curse on the health-care system, the man who took it from a point where it was beginning to realize its potential and put a cost squeeze on it, one that caused severe damages inside.

Talk to the people who work in hospitals. Talk about conflicts that are coming out of that. I welcome the minister's admission tonight that he wasn't doing things all right in the spring of this year; I welcome his ex-

penditures of funds over the course of the summer.

Hon. Mr. Timbrell: Did you go to the new medical sciences building? Did you go to the new cancer clinic? Did you go to the new health unit building? You didn't go to any of them, did you?

Mr. Breaugh: I just wish the minister and the government were a little more honest in the beginning. I wish they could deal rationally with the growing consensus, that the minister would be prepared to listen to the arguments that are put; not by me in this House, but by hospital workers providing care in our hospitals. That recognition deserves to be paid. That argument about funding will not go away, no matter what the minister says. The problems are real.

We as politicians will deal with the funding and the policies of the government, but it will be others in the wards of our hospitals who will deal with that life-and-death situation. The government should have a curse put on its head for what it is doing to hospital workers, nurses, doctors and administrators in this province.

Mr. Kennedy: I am pleased to have the opportunity to join in this debate. At the outset I want to say I enioyed being on the standing committee and the exercise we had in delving into the health-care delivery system of the province. It was one of the most interesting exercises I shared in the work of this committee.

Mr. Cooke: You said that about the Bill 19 committee too.

Mr. Kennedy: That was good too. It pointed up the deficiencies of the socialists opposite—I was going to say to my left but they are square in front; we can look right into their eyes and that's where we like to have them.

Mr. Breaugh: We are on your extreme left, you should know that.

Mr. M. Davidson: That's an acceptable thing nowadays.

Mr. Kennedy: I was confused by the representations of the member for Renfrew North (Mr. Conway) in that he claimed that in the 1950s the government of the day came forward claiming all manner of credit for the establishment of the hospitals in Ontario. Then later on he concluded that the government wasn't able to do anything at all. I am not sure which he meant was right.

The fact of the matter is that basic hospital care across this province was started by the communities. It was community effort that laid the base for the health-care delivery system which this government has expanded on, and in doing so has brought into being one of the best health-care delivery systems of any jurisdiction in any corner of this globe. I make no apologies for it.

He mentioned there was a downgrading of care. There is no downgrading of health care in this province. In fact it has increased. Testimony has come in, and witnesses, with evidence of complaints from the opposition parties.

Mr. M. Davidson: There are a few hundred thousand people who would take exception to that.

Mr. Kennedy: I can bring in as many and more giving credit to the health-care delivery system and stating that lack of that care and its delivery as now carried out would be detrimental to the welfare of our community.

Something was mentioned along the lines of hospital after hospital after hospital, delegation after delegation coming and stating how deficient our health care delivery system was. That just isn't so.

Mr. McClellan: Ask the member for Fort William (Mr. Hennessy). He was there.

Mr. Kennedy: I will tell you, Mr. Speaker, if we went back through the testimony given during our hearings, you would find a minority of the hospitals came. Admittedly those which did had real problems. A very sensitive and able Minister of Health, backed by a very competent staff, responded to the problems that have been brought forth. There is no way this government and this ministry wouldn't address itself to those problems in that fashion.

The member for Oshawa commented that our health care delivery system is crumbling.

Mr. M. Davidson: He didn't say that, he said there were cracks.

Mr. Kennedy: Read Hansard; that is what was said. I reject that totally because it just isn't so.

The report of the committee regarding active-treatment bed closures does raise a number of issues. The government, for its primary goal, has the responsibility to maintain the wellbeing of everyone in Ontario. We are continually responding to citizens' needs as they evolve and change over time. That is what this whole exercise is all about, namely the shifting of active-treatment beds to chronic treatment. We are doing this within the context of unique community settings. The provision of active-treatment beds was an issue that opposition parties were raising as an example of health cutbacks. In 1977, the health budget—

[9:30]

Mr. M. Davidson: Oh, use the same old lines.

Mr. Kennedy: —was just over $3 billion; in 1979 it was over $4 billion, $4.3 billion to be a little more accurate.

Mr. Cooke: Tell us what the inflation rate was.

Mr. M. Davidson: What about rising costs?

Mr. Kennedy: Certainly we know they are here too, much better than the honourable member does; but he thinks the money to respond grows on trees.

Mr. M. Davidson: You don't recognize it.

Mr. Kennedy: There are restraints and it has caused both government and hospitals and other agencies of government to have a look at our resources and put them in balance.

The term bed closures is misleading. It gives the impression the government is telling hospital administrators which beds are to be used or not to be used. This isn't so. They are being converted from one need to another.

Mr. Cooke: That's not what happened in Windsor.

Mr. M. N. Davison: You come and see some closed quarters in Hamilton.

Mr. Kennedy: The minister has said this. He has also said the results of study show the number of beds in place are just about what are needed in the province, that more efficient use can be made of them.

Mr. M. N. Davison: Come down to Hamilton and tell them that.

Mr. Kennedy: The government is committed to implementing sound public health programs.

Mr. Makarchuk: The government should be committed.

Mr. Kennedy: One aspect is this reassessment of beds and the transition into chronic use. It is not cutbacks, I repeat.

Mr. M. N. Davison: Come to Hamilton and try and sell that line.

Mr. Rowe: We need another practising psychiatrist in Hamilton.

Mr. Kennedy: The health-care system in Ontario is costing about $488 for every man, woman and child in the province. I don't know what this figure would be in another 20 years if we didn't address ourselves to the problem and modify our programs to meet the changing needs.

Hospitals across the province are studying and assessing their active-treatment and chronic-care bed situations. We heard during our hearings there are 10 to 20 per cent of active-treatment beds not being properly utilized. This represents a tremendous resource. If it is harnessed and put into proper use, then the balance can go a long way, with economy, to remedying the escalating costs with which we are faced.

Mr. Makarchuk: Where do you put the people?

Mr. M. N. Davison: Out on the street, is that your solution?

Mr. Kennedy: The population is living longer. We heard an estimate the other day that in the last 10 years life expectancy has had one year added.

Mr. Makarchuk: So now you want to shorten life, is that your policy?

Mr. Kennedy: Active-treatment hospitals are not geared to long-term patient care. It is very costly. Co-operative health planning is a positive way for hospitals to pool their resources and eliminate service duplication.

Mr. Cooke: I thought you favoured competition.

Mr. Kennedy: This is going on. There are experiments now and tests to co-ordinate services in Kingston, Guelph, Windsor and several other localities; in effect to become more efficient.

Mr. M. Davidson: Tell us about health care and co-ordinating services between Kingston and Carleton.

Mr. Kennedy: About 60 per cent of Ontario's budget—

Hon. Miss Stephenson: Why don't you try listening?

Mr. Kennedy: —goes towards social policy programs and developments. Health care is a very major part of that, and it affects us all.

The changes we are going through are complex. The implementation, I would be the first to agree, would not be accomplished without some upheaval and strain to some areas within the health-care system. But if we have the will, and I am happy to say many hospitals and hospital boards are responding to this in co-operation with government—

Mr. Bradley: They have the will but not the beds.

Mr. M. Davidson: Co-operation? They have a gun to their head.

Mr. Kennedy: The Ministry of Health is very sensitive to health care and to needs of hospitals.

Mr. Makarchuk: That's a new discovery.

Mr. Kennedy: There is an appeal process in place, as has been discussed earlier. It is a very simple, no-cost appeal.

I reject the utterances which say hospital boards and hospitals don't know this exists. For years hospital boards have had annual conventions. They know all this. They know all they need to do is write the minister, or pick up the phone and call and lay out the problems.

Mr. M. Davidson: We also know they sit around for six months and don't get a reply.

Mr. Kennedy: Right in Mississauga we have a situation where they were granted the basic increase that was granted across the province. They said, with their growing situation this wasn't adequate. They put forward a brief to the minister and his senior staff.

Interjections.

Mr. Deputy Speaker: Order.

Mr. Kennedy: They went over the budget in co-operation with the hospital and as a result there were $551,000 additional provided. This isn't unique to Mississauga, because it's Mississauga. The need was there. Not only that, they said at the end of the year they would again review the budget with them to see how they were doing. That same service is available to any hospital board in Ontario. They will have a responsive, listening ministry, which will deal with their problems and do what they can to ensure there is no downgrading of the health-care delivery system.

Mr. Bradley: But no more nurses and no more beds.

Mr. M. Davidson: Come to Hamilton.

Interjections.

Mr. Bradley: Spending all their money on American firms studying them.

Mr. Deputy Speaker: Order.

Mr. Bradley: Providing employment for Americans who are snoopers.

Mr. Kennedy: I am going to carry on.

Mr. Makarchuk: Would you like to come and speak at Brantford?

Mr. Kennedy: Now to the report: We talk about a committee report, Mr. Speaker. It was really an opposition report in which, if my mathematics are right, government members were able to go along with three of the 10 recommendations. The others were something of a surprise. The opposition might as well have said at the start; "Give the hospitals millions more dollars," out of a budget that doesn't have the dollars to give.

I just want to address briefly recommendation number 10 about the appeal mechanism. This is one it claims the committee recommended. As I say, the opposition recommended the hospital appeal mechanism be established.

Mr. M. N. Davison: Read the report. It's a committee report.

Mr. Kennedy: It's brief but it's pretty meaty. "It was of immediate concern that resolution of many of the disputes between specific hospitals and the minister be achieved." I couldn't agree more. "It seems appropriate to the committee that the same agent, the minister, should set criteria and adjudicate the application. Therefore, the suggestion of a number of witnesses that a publicly accessible, independent appeal procedure should arbitrate disputes between hospitals and the minister is accepted by the committee."

Mr. Speaker, it isn't accepted by this part of the committee.

Mr. M. N. Davison: I can understand why there aren't any Tories in Hamilton.

Mr. Kennedy: There is a small question of accountability. Recommendation 10 flies in the face of democratic principles. When Parliament was established in England, away back, it resulted in the Bill of Rights in 1688 which said that "levying money for the use of the crown or pretence of prerogatives without the grant of Parliament is illegal." They would waive that. They would waive that and they would put it in the hands of non-elected persons to decide what funds the Treasury benches are going to expend. Certainly, we reject it. Why wouldn't we?

Recommendation 10 abdicates this responsibility. It doesn't say the committee would recommend to government such and such expenditures. They would ignore accountability. Of course, we rejected it and would do so again.

Active-, chronic- and extended-care beds must be used for the right people at the right time. This is what we are accomplishing at this time. It is a shift in emphasis. It's needed. The ministry is responding in a sensitive and responsible way. I assure you the government, as far as I am concerned, will act upon and respond to the health-care needs of the people of this province. Our health-care system is second to none and will continue in that way.

Mr. Nixon: Mr. Speaker, three years ago the then Minister of Health (Mr. Miller) came to Brant county to begin his program of what he would call rationalizing the hospital services of the province. He came to Paris, in my constituency, and with a broad smile and throwing one-line jokes in all directions, he announced that the hospital was going to be closed. He was not capable of making the decision stick, thank God, and the Willett

Hospital and the other hospitals in my area continue to function. But since that time the area has been subjected, in my view, to very cruel and unusual bureaucratic pressures which I believe have been based on an unfair distribution of hospital beds in the province.

From where we are in Brantford and Brant county, we can look to the east, to Hamilton, and to the west, to London, and see the overbedding that has been permitted to go on there in those elaborate, huge, Taj Mahal hospitals, which have never come into full use. While the argument can be put forward that those world-class hospitals are for the use of our community, still our experience with their use—

Mr. M. N. Davison: Are you talking about the general hospital or about St. Joseph's Hospital?

Mr. Nixon: Listen, we haven't got very much time. Does my friend want to ask a question? I am talking about the McMaster University Medical Centre. What is he talking about?

I will tell him, when we sent a poor kid who was injured in Brantford just last week to the Hamilton hospital, the poor child was allowed to die in a ward. That's an area that must give us all real concern and may very well bring concern to the courts. The question was asked in the House. I haven't got time to deal with that.

I am simply saying that we in Brantford have been subjected to these pressures since the then Minister of Health came up there and tried to close the hospitals. We have co-operated in every way possible to reduce the bed ratio; I believe it is now about 3.7 beds per thousand, and we are approaching the minister's goal of 3.5 beds per thousand for our area.

I believe there are many other areas similar to our own that are not even approaching the achievement of that goal, and I don't see why Brantford and Brant county have had to be subjected to these pressures over these many years.

To begin with, I believe the distribution is unfair. Secondly, the minister has indicated that he, as a new minister, insisted that there be an incentive program so that good hospital administration would be rewarded.

I quote from a letter, signed by the chairman of the famous Willett Hospital in Paris, to the chairman of the Brant County Health Council, dated September 25:

"The following is a breakdown of activities here over the past three years: 1976, occupancy 100.01 per cent. Our hours per patient-day were 10.32; the average of our peer-group hours of work was 12.48."

I haven't time to list the whole thing, but the record of service from 1976 to the present is similar. I quote further from the letter:

"The average occupancy in our peer grouping was 77.1 per cent, where our average was 97.44. There is also a very big difference in the occupancy rate in our peer group. We have remained around 97 to 100 per cent, and the average for the other hospitals in our peer group is approximately 76 to 77 per cent."

I am not quoting from the letter, when I simply ask the minister why that sort of efficiency in administration was not rewarded under his incentive program. I do now, however, quote further, from page three of the letter:

"We have repeatedly asked the Ministry of Health for four or five more on our nursing staff in order to cope with this work load. The ministry's suggestions are somewhat like this, 'Perhaps you should close down a few more active beds.' We only have 18 at the moment, for which there is a great demand, and in its own words the ministry says, 'Eighteen is a viable unit and anything less than that is not.' "

[9:45]

We have the feeling in Paris that, since the then Minister of Health was sent packing with his project to close the hospital, the calloused hands of the bureaucracy of the Ministry of Health have been closing tighter and tighter around the neck of that hospital.

Frankly, it has resulted in a third-level rationalization proposal, which means that all the active-treatment beds will be taken away from the hospital and it will be a chronic institution. I don't use the word "hospital" because it isn't. A hospital is a place where you go to get sick—or rather you go to get well when you are sick.

Well, the minister should frown. That happens too when you get staff that is this extended. It is a very serious matter indeed when we feel we cannot maintain the standards that have been established over these many years by the community.

The member for Mississauga South, who just spoke, had one good point; namely, that it was the initiative of the community that built these hospitals and that established a standard of care. It was only when the government in Toronto took over that these standards have been allowed to drop. There's no doubt that they have been allowed to drop under these circumstances as the pressure has come inexorably on these hospitals, and particularly this hospital. That has meant that they have lost the will to continue.

In this third level of rationalization, the minister knows what has happened. I can't take the time of the House to describe it. The Willett Hospital board has been given the proposal that its active-treatment beds be all closed and its chronic facilities be expanded. They say very clearly they will not accept this unless certain conditions are met, having to do with the provision of emergency care and so on—all of which are important and all of which I believe are acceptable.

Mr. Makarchuk: You had better get a commitment out of him that he will accept the expansion of emergency treatment at Brantford General.

Mr. Nixon: Actually, I'm talking about the establishment of a new emergency treatment base in Paris. There are a number of provisions. The thing that concerns me is that this third rationalization proposal is once again not acepted by at least one of the hospitals, which simply means that it will be very difficult for it to go forward.

One of our major medical spokesmen, one of the people on the medical staff, has indicated that this fiddling around with the beds in this third-level rationalization will not achieve the saving that is demanded in the budgetary requirements of the ministry. I personally believe that the medical spokesman is right and that all of these shenanigans and all of this dislocation in our community are not going to achieve even the results the minister is hoping for.

I feel that in many respects the minister's attempt to bring local autonomy into the financing of the hospital system is just like saying to somebody, "You choose your own poison," because they hardly know which way to turn under these circumstances.

The minister—and I give him credit for this—has at least postponed the decision until two or three days from now, to November 1. In a letter to me, the minister said the local people set this deadline. And yet he surely must realize that they did not do that. The deadline was set by the budgetary requirements of the minister away back at the beginning of this fiscal year.

He provided some additional funds to provide time for some more discussions. I'll tell you, Mr. Speaker, that those discussions have not been successful and cannot be successful on the November 1 deadline. The minister has indicated that the health council set the deadline itself. They don't believe that. They have petitioned the minister for an extension of the deadline at least to the beginning of the year in January. I think the only sensible thing would be for an extension to the end of this fiscal year.

I know that time is extremely precious in this debate and others are anxious to get on. I simply want to say to the minister that the people in my area have lost confidence in the judgement of the ministry. They saw what the minister's predecessor tried to do, which he said was essential. It was not essential. The courts found that it was not. Willett in Paris, for one, and the other hospitals continued trying their mightiest, with the results that I have read from that letter, to have an administrative level that was as good as required and certainly better than every other hospital in the peer group. Still the pressure is maintained.

The local medical association commissioned a report from Hickling-Johnson. When I brought it to the minister's attention, he simply dismissed and pooh-poohed it. At least he was good enough to write me a letter about it, but he simply said they had got it all wrong.

Hickling-Johnston found as its principal conclusion, quoting from its report on page six: "On the basis of these projections, the number of active-treatment beds in Brant county will, if the plans of the ministry are put in effect, fall below the most probable population requirements in 1980."

That simply means that if we continue to accept, as we must, the budgetary restrictions imposed by the ministry, and the interpretation of the ministry, our active-treatment beds will fall below even the minister's limit. They will have to recuperate some of those beds after closing them.

There's not a great deal of difference as far as the rationalization is concerned now, and I hope the minister will at least remove this unacceptable deadline. They simply can't reach the kind of local autonomy decision with this fiscal gun pointed at their head. I hope the minister will make some commitment to remove that pressure at least for a few months.

While the minister likes to talk about the process of rationalization being on the basis of local autonomy, in the Brant-Brantford area it has been rendered practically impossible. The ministry simply gives some figures, then turns its back on them and says: "Okay, you do it— and you'd better have it done by a certain time, because we have the authority."

The minister is shaking his head. There is no deadline?

Hon. Mr. Timbrell: No, That's not why I was shaking my head. That's not the way it was done.

Mr. Nixon: The minister means there is no deadline and that they can continue their negotiations to the end of the fiscal year? The people in Brantford will be very glad to hear that. Unfortunately, we don't have the visual Hansard here, but the minister is nodding.

Mr. Conway: I can hear him nodding.

Hon. Mr. Timbrell: Mr. Speaker, to clear the record: Some parts of the member's statement were right. But he was wrong in terms of how he described the way the deadline was arrived at. I have under consideration in the next few days the request of the health council; I will be dealing with that the first part of the week.

Mr. Nixon: I appreciate that. I have respect for the honourable minister, and if he says he is reconsidering it I am glad that is so. I simply want to remind him that in his letter to me he said the deadline was set at the local community level.

By that, I suppose he means they asked for that deadline and he said okay. They are now asking for it to be extended, and the minister is saying he is considering that.

Hon. Mr. Timbrell: It was suggested, and I asked what would be an appropriate date, and that was the date that was given to me.

Mr. Nixon: Well, the minister is going to give them another appropriate date, I trust. My time is gone; I simply want to say to the minister and to the officials listening, that the local community has lost a good deal of confidence in the ministry. Many of them feel that while they have the greatest respect for the individual members of the health council, they would sooner have the money the ministry spends on the health council for use in their hospitals. They have no other choice. They are simply the servants of the budgetary dictates of Queen's Park. And it is no kind of autonomy to say that it is a reasonable policy of this or any other government.

Mr. Cooke: Mr. Speaker, I want to spend a few minutes talking about the social development committee report and, if it were adopted and implemented, what it would mean to my city and the hospitals in it.

The first recommendation, which refers to alternatives being in place before active-treatment beds are closed, is particularly important to the city of Windsor. In this year we had 108 active-treatment beds closed as of April 1. In their place we had something in the neighbourhood of 85 chronic care beds. Next year we will have 69 more active treatment beds closed and, the following year, 72 further beds closed, for a total of 249 active-treatment beds closed.

Were there any nursing home beds provided? No, there haven't been any nursing home beds provided; nor are there any plans for nursing home beds to be provided in the county of Essex. In fact, when we were dealing with this matter in the Ministry of Health estimates last week, the minister pointed out there were 60 nursing home beds that had been opened in the county of Kent, and he implied that if the people in Essex wanted nursing home beds they could travel to another county to get them. Some alternative.

Are we getting chronic home care? No, we are not getting chronic home care. That was one of the aspects of the program the Minister of Health announced in the spring, the rationalization program for the county of Essex. But last week in the estimates he indicated to us he could not fulfil that commitment to the people of Essex. Therefore, we are not going to get chronic home care, even though that was part of the overall plan of rationalization. The point is that last year we had all sorts of problems in our hospitals because there weren't enough active-treatment beds and hospital beds were being closed. It would appear that the same types of problems are going to happen again this winter, because we do not have the out-of-institution alternatives that are so very necessary.

I want to quote from the November 1977 report the Minister of Health put out on chronic home care. In its conclusions it says: "It's clear, however, that chronic home care is a cheaper service than any type of hospitalization. The admission-discharge flow data supports the hunch that the program is meeting its objectives in easing or preventing deterioration and, therefore, transfer to institutions giving higher levels of care."

What that conclusion from the report clearly states is that chronic home care saves dollars and prevents deterioration of people who take advantage of the chronic home care program. If the minister were serious about providing alternatives and if he were serious about this recommendation in the social development committee's report, he would have announced last week that, even though the saving they had projected through the rationalization program in Windsor was not realized, in the interests of the health of the people of Essex he would implement chronic home care and thereby be able to close further beds next year without putting people's lives and health in danger.

But no, his concern does not seem to be in that direction at all. His concern seems to be about saving dollars. The priority of people's health is apparently coming second.

Mr. Bounsall: Right now he's not even listening; he's speaking to the Clerk.

Mr. Cooke: In the PC response to the social development committee's report on recommendation one, I find it very interesting that in the last paragraph of the first page they say: "Taking the above into account, we therefore endorse the decision of the Ministry of Health to pursue a policy of conversion of active treatment beds to chronic care beds where appropriate and, further, to add long-term-care beds and other alternative forms of care as appropriate and as the need is demonstrated by local health planning agencies."

Our local health planning council has recommended to the ministry that chronic home care be put in place and that the funding come from the ministry if the total funding cannot be realized from savings through the rationalization program. The local body that was appointed by the ministry and made up basically of Tory hacks has recommended that the chronic care program be put in place at a cost to the ministry in order to save people's lives and maintain an adequate level of health in our county. But the Ministry of Health has rejected that recommendation, as it has rejected so many of the recommendations of health councils in this province.

The minister has told us, through an interview with our local newspaper, that we may not be getting chronic home care for the next few years. He couldn't be specific as to when we would be getting it at all. Once again, what it boils down to is that a couple of hundred active treatment beds have been closed and no alternatives have been put in place at all. What will the results of this action be for the people of Windsor?

From the statistics I've been able to gather by talking to the various hospitals—some of them today and some of them through our mini-caucus held in Windsor—Hotel Dieu told me their occupancy rate during the summer was 98 per cent on most evenings and they were having to use, even in the summer, outpatient and emergency facilities to admit people because there were not enough active treatment beds in that particular hospital. Right now they're in the midst of converting some active treatment beds to chronic care beds. They have 50 of the 60 that were allocated in the rationalization program. But even after those 60 chronic care beds have been established, there will be 15 chronic care patients in active treatment beds in that particular hospital.

At Metropolitan General Hospital, when we visited them during our mini-caucus, they indicated that during the summer their active treatment beds had been utilized 100 per cent or better. They were using the 25 beds the ministry had closed and for which they eventually went to court and had a short relief through the court procedure. They're still using those 25 beds since they cannot close them because of the demand.

At Grace Hospital, while I couldn't get any specific information from the administrator today as they just don't seem willing to provide it—they're worried about the press coverage, was the information given to me—I was given some general information about that particular hospital. They were very busy this summer. It was worse than at any time the admissions officer I spoke to could remember. When we visited Windsor Western Hospital during our mini-caucus, they indicated they were experiencing 95 per cent occupancy this summer.

[10:00]

All the information points to the fact that this winter, as the Minister of Health indicated in January or February in answer to questions of mine, when the use of hospitals increases because of the winter months and more illness, we can look to more people having to use emergency rooms, hallways and outpatient facilities because there are inadequate numbers of active treatment beds and inadequate numbers of alternative types of care in our city.

I say to the minister that what's going to happen in our city and in other cities across this province is that we're going to have more people's lives put at risk because of bad planning on the part of the Ministry of Health.

There are some particular problems in the city of Windsor dealing with the allocation of beds, and the recommendation dealing with that is of particular interest to me.

Metropolitan General Hospital, as the minister no doubt is aware, is very upset that its beds have been allocated, not on the basis of referral population but as a percentage of the total number of beds in the city. The very rigid form in which the ministry decides how to close beds does not apply to that particular hospital. That hospital is very important to my riding and to the riding of Essex North, because it serves the east end of Windsor, which is the area of our city that is growing.

Just to give you an indication of the kind of use of that hospital, Mr. Speaker, they have 24 per cent of the active treatment beds in our city, yet they have a referral population that is equal to 27.43 per cent of the population. If they got their proper number of beds, they would have 47 more active treatment beds, which would be of great assistance to that particular hospital. I could go into more details, but I want to finish quickly so that my colleague from Port Arthur will also be able to speak.

I also want to make a comment on the health councils, as the Liberal spokesman did just a moment ago. I agree very much with what he said.

We met with health councils during our mini-caucus. I think all the members of my caucus were absolutely shocked at how out of touch the councils were with the needs of our community and with the desire for them to speak up on behalf of the health-care needs of the people of Essex.

Hon. Mr. Timbrell: Was that after your leader arrived late or before he left early?

Mr. Cooke: I can't hear the minister's mumblings, as usual.

Hon. Mr. Timbrell: You can't hear the truth. You don't want to hear; that's all.

Mr. Cooke: The health council is not willing to act as an advocate on the part of the people of Essex. Health councils across the province generally are not willing to do that. They're spokesmen for the Ministry of Health and they're not providing the proper kind of input they were designed to provide.

Mr. Makarchuk: There are too many Tory hacks on the health councils—and spineless Tory hacks at that.

Mr. Cooke: If the Minister of Health had been sincere about health councils before setting the very rigid ratio of four active treatment beds per thousand, and eventually going down to 3.5, he would have said to them: "Do these guidelines apply to the county of Essex?" But he didn't. He just imposed that very major decision.

In summary, I want to say that this report would require major policy changes on the part of the Ministry of Health if it were adopted tonight and if the policies were implemented.

In Windsor, the effect of this report would be to fund more active treatment beds at both Metropolitan General Hospital and the other hospitals in our city. In Windsor, if this report were implemented, it would save us from another winter of hallway and emergency room use for patients who are in need of good health care.

Finally, if this report were adopted and implemented for Windsor and many other communities, it would mean that lives would not be put at risk this winter. If it is not implemented, lives will be at risk and, possibly, lives lost. I encourage all members of the Legislature to support the report.

Mr. Ruston: Mr. Speaker, the previous speaker has covered a number of points with regard to our area. I was intending to speak a little more on the philosophy of this Minister of Health and of the previous Minister of Health in their apparent attempt—and someone has to wonder what their philosophy on it is—to get a high profile as great people who save taxpayers' money. They were looking for a high-profile thing, something that would hit people right in the heart. When they get sick or something, there's nothing worse than not finding a room to go to. It looks like that.

I can recall when the former Minister of Health (Mr. Miller) was in Windsor. He was at the University Hall in Windsor; all the municipal officials from Essex county and the city of Windsor were there. The former minister, now the Treasurer, reminded me today of that incident when he was asked a question. The words he used today—maybe someone can remind me of it—were the very same words: "Tarzan and Jane." He was trying to bluff and laugh his way through a very serious question someone asked him today. The Treasurer can't even get serious when interest rates are 15 per cent.

He did the very same thing at the University of Windsor. When he was standing up there, about every second sentence was some kind of a little joke. He was laughing. But there wasn't one person in the audience laughing. Not one person. They weren't laughing about it at all. That's what he was trying to do. He didn't last in the job very long. He got this other thing.

I could tell that type of thing was not going to work; the people of Windsor didn't appreciate it. That was when they were talking about closing Riverview Hospital. It never came about, because the statistics that the people in the Ministry of Health were using were all wet. They didn't know what they were talking about and it was proven that the Riverview Hospital was required for chronic care.

I would say that type of carrying on by the Minister of Health in Ontario was shameful. The one-time Minister of National Health and Welfare, the Honourable Paul Martin, would never have carried on that way. Nor would he have risked the people's

care, as the minister was talking about that day. There was a gentleman.

Hon. Mr. Timbrell: He was a gentleman, was he?

Mr. Ruston: I know the present minister acted differently when he was down there, but I can tell him that his predecessor was shameful that day. I've never forgotten that particular day, because the person sitting beside me was my late brother and, after about the third line, he said, "Who in the hell around here is he trying to fool with all his jokes?"

Mr. Hodgson: Talk about the future. Don't talk about the past.

Mr. Ruston: It's just unbelievable. Anyway, the people of Windsor and Essex county have lost confidence in this government's Minister of Health.

Sure, they have a health council now, with some pretty good prominent people appointed to it. As the member for Brant-Oxford-Norfolk says, the government has given them a job to do that it didn't want to do itself: "You've got to do something. And come back with that answer—not the answer we don't want." That's really what they had to do. I suppose it's a nice way to blame somebody else for something the government is doing.

In view of the time allotment here, I'll finish soon because there are other speakers who want to speak on this. One thing that has really been bothering me is, I know we're short of nursing homes in Essex county and the city of Windsor, and there has not been any approval yet for adding to them. How well we know that is required. Heaven help us, we're going to need the 25 beds in Metropolitan General Hospital this winter because naturally, in the wintertime, with weather conditions and so forth, many more beds are required. I just wanted to bring out that point as well.

The public can say, "You've got to save money." The Ontario Chamber of Commerce brought in a recommendation to the Premier to keep cutting back and to restrict any increases in the spending of certain funds. But there are many ways we can cut back. Just ask a former Treasurer who resigned, Darcy McKeough. He says the government is spending millions of dollars over here at OISE. The former leader of our party brought that up many years ago. Darcy is just saying what he said seven or eight years ago. He knew what they were doing over there.

If we want some extra money, there are lots of places we can find it in this government. There's lots of fat. We can find it. We'll find it in eight or nine months, because we'll be over there.

Hon. Mr. Timbrell: You're the guys who said to slash $50 million out of the Ministry of Health last year.

Mr. Roy: There's lots of fat in that minister.

Mr. Speaker: Order.

Mr. Foulds: Mr. Speaker, I am pleased to join in the debate tonight, but I think it is shameful that in this age, in 1979, we in this House have to engage in a debate to defend the health-care system of Ontario.

The Ministry of Health of the Ontario government has in fact abdicated its responsibility to supply adequate health care to the people of this province. This evening I want merely to deal with the first four recommendations of the standing committee's report.

Hon. Miss Stephenson: What are you saying? Jesus!

Mr. Makarchuk: Do you want another balloon, Bette?

An hon. member: Can Hansard pick that up?

Mr. Foulds: Mr. Speaker, could you give the Minister of Education a balloon to break and she can work off her frustrations?

Interjections.

Mr. Foulds: I want to deal with the first four recommendations of the committee, because I think they are the ones that are key to the situation in Thunder Bay.

One of the reasons the Ministry of Health and its officials and the minister and government have got themselves into difficulties is that they arbitrarily established a figure on active-treatment beds without supplying the alternative care first. That is no more apparent in any city in this province than it is in Thunder Bay. It is still apparent in Thunder Bay, because there is still a crying need for chronic care beds.

On September 25 we talked to a number of people in the health-care field in Thunder Bay. At that time, in McKellar General Hospital they had to cut 21 beds instead of the 16 allotted by the ministry, because that was the only unit that could be economically curtailed. That still means they have to cut another 32 beds in the next two years. They are running a $100,000 deficit. They are almost always near 100 per cent occupancy, we were told.

It is very common in McKellar General Hospital for four to 11 patients to have to wait overnight in emergency for nursing care

before they are admitted to an active-treatment bed. There have been instances where patients have had to wait as many as three days in emergency. There was a very tragic case recently where an elderly woman had to wait 27 hours in emergency. That woman had to be persuaded to go to hospital in the first place by her friends. She had already had one amputation. Her other leg was gangrenous and needed treatment. The doctor had to talk to her friends to try to talk her into going to hospital. When she finally reached the point psychologically where she could go to hospital, there was only an emergency bed available for her. That is just not good enough in this day and age.

In St. Joseph's General Hospital in Thunder Bay they also almost always have 100 per cent occupancy of medical-surgical beds. They have cut 10 beds; there are 17 more to be cut.

In the General Hospital of Port Arthur, 12 beds have been cut; there are 24 to be cut in the next two years. They often run their medical-surgical units at 94 to 98 per cent occupancy. What is appalling is that in St. Joseph's there were 32 chronic patients waiting on September 24 but no chronic care facilities for them to move to. In Port Arthur General there were 27 chronic patients waiting to be placed and no places for them to move to.

[10:15]

Just today I phoned Thunder Bay to check on some statistics. Today's situation is even more tragic. The General Hospital of Port Arthur was in not too bad shape today. As of midnight last night, they had five empty surgical beds and two medical beds available. Those filled up today. Their emergency was not too bad last night; that is a very healthy thing, because additional emergency patients had to be shipped from St. Joseph's General Hospital to the General Hospital because St. Joseph's emergency ward was overloaded last night.

I want specifically to talk about the situation at St. Joseph's General Hospital last night. I wish I could have some order in the House while I put these figures on the record.

Mr. Ashe: What about the rowdies surrounding you?

Mr. Foulds: I wish I could have some order from my own colleagues in the House, as I put these figures on the record.

Last night in St. Joseph's General Hospital, every single bed in every single ward was full. Every single bed in intensive care was full. Every single bed in emergency was occupied. There were six patients in emergency, waiting to be placed in alternative care in the hospital and they simply did not have a place to put them so people coming into emergency at St. Joseph's General Hospital had to be referred to the General Hospital of Port Arthur.

Not only that but, contrary to the guidelines set by the ministry, the hospital had to put two additional beds in the hallways. Those were not in emergency but in the hallways in the main hospital. Every single bed was occupied.

In spite of that, the minister still wants to cut almost 100 beds in Thunder Bay over the next two years. That simply is not acceptable.

I want to save a bit of time for my colleague the member for Scarborough West to speak, but I want to tell the minister this: In Thunder Bay we have a health-care system in the active-treatment hospitals that has reached the point that it cannot be squeezed any longer. He cannot expect them to cut the additional beds he has laid out for them in the next two years, until he supplies the funding and the beds are in place for the chronic care. He simply cannot do it or, as my colleague from Windsor says, he will be putting people's health and their lives at risk. He simply cannot do it and he cannot shake his head in that complacent way.

Hon. Mr. Timbrell: Yes, I can, because I know the honourable member is not correct. I know it isn't true.

Mr. Foulds: He simply cannot do it. He is not experiencing that. One of the people who have written letters to the editor in Thunder Bay has said he hopes the minister gets hospitalized in that town. The minister had better believe it.

It is not an artificial issue created by me and the New Democratic Party. It is not an artificial issue created in that town. That town simply will no longer tolerate the policies laid down by this ministry. They have reached the breaking point, and the minister had better understand that—not only medically but also politically.

One of the things the minister is doing, if he insists on the cuts he has outlined for next year, is putting the crisis point for each of the three hospitals, as was reached last night at St. Joseph's, much closer.

For example, the crisis point at McKellar next year would some 16 beds sooner. He can't afford that with the waiting they have.

Some hon. members: Time, time.

Mr. Foulds: No, it's not; I am sorry. The minister wil put the crisis point at the General Hospital 12 beds sooner. He will put the crisis point at St. Joseph's nine beds sooner.

I want to pay tribute to the hard work put in by the medical staff, the administrators and the health-care practitioners, including the medical doctors in Thunder Bay. This minister should and must make a statement that he is not going to implement the cuts he has dictated for next year and the following year in the active-treatment beds in Thunder Bay. He should make that statement now.

Mr. Mancini: Mr. Speaker, I would like to make a comment or two.

Hon. Mr. Gregory: Mr. Speaker, on a point of order—

Mr. Speaker: What is the point of order?

Hon. Mr. Gregory: Mr. Speaker, I was under the impression the agreement between the three parties had been that we would speak until 10:15 and have a 10-minute bell. If I am wrong, I apologize; but that was my understanding. Perhaps the other House leaders would care to speak on that.

Interjections.

[10:30]

The House divided on Mr. Gaunt's motion that the standing social development committee's report, dated June 21, 1979, be received and adopted, which was agreed to on the following vote:

AYES

Blundy, Bolan, Bounsall, Bradley, Breaugh, Breithaupt, Bryden, Campbell, Cassidy, Charlton, Conway, Cooke, Cunningham, Davidson, M., Davison, M. N., di Santo, Dukszta, Eakins, Foulds, Gaunt, Germa, Gigantes, Grande, Haggerty, Hall, Isaacs, Johnston, R. F.

Kerrio, Laughren, Lupusella, MacDonald, Mackenzie, Makarchuk, Mancini, McClellan, Miller, G. I., Nixon, Peterson, Philip, Reed, J., Renwick, Riddell, Roy, Ruston, Samis, Swart, Van Horne, Warner, Wildman, Young, Ziemba.

NAYS

Auld, Ashe, Baetz, Bennett, Bernier, Brunelle, Cureatz, Drea, Eaton, Elgie, Gregory, Havrot, Hennessy, Hodgson, Johnson, J., Jones, Kennedy, Kerr, Maeck, McCaffrey, McCague, Newman, W., Norton, Ramsay, Rotenberg, Rowe, Scrivener, Snow, Stephenson, Timbrell, Villeneuve, Welch, Wells, Williams, Yakabuski.

Ayes 51; nays 35.

The House adjourned at 10:36 p.m.

CONTENTS

Thursday, October 25, 1979

Report, standing social development committee, Mr. Gaunt, adopted 3853

Adjournment 3877

SPEAKERS IN THIS ISSUE

Bolan, M. (Nipissing L)
Bounsall, E. J. (Windsor-Sandwich NDP)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Davidson, M. (Cambridge NDP)
Davison, M. N. (Hamilton Centre NDP)
Edighoffer, H.; Deputy Speaker (Perth L)
Foulds, J. F. (Port Arthur NDP)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Haggerty, R. (Erie L)
Hodgson, W. (York North PC)
Kennedy, R. D. (Mississauga South PC)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
McClellan, R. (Bellwoods NDP)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Rowe, R. D. (Northumberland PC)
Roy, A. J. (Ottawa East L)
Ruston, R. F. (Essex North L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)



No. 93

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Friday, October 26, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

FRIDAY, OCTOBER 26, 1979

The House met at 10:06 a.m.

Prayers.

STATEMENT BY THE MINISTRY

25TH ANNIVERSARY OF MEMBER FOR LEEDS

Hon. Mr. Wells: Mr. Speaker, I'd intended to make this statement yesterday, but time didn't permit. I would like to draw to the attention of the House that because he had returned for the first time during this session, the member for Leeds (Mr. Auld) on September 14 celebrated his 25th anniversary as a member of this House. He is now the dean of this House; that is, the person who has had the longest uninterrupted term of service in the Legislature of this province.

Before the present portfolio, he has had eight other portfolios so he is obviously one of the most experienced members of this House. I knew the House would like to take the opportunity to congratulate him on his 25th anniversary.

ORAL QUESTIONS

INTEREST RATES

Mr. S. Smith: I have a question of the Premier on the matter of interest rates. Is he aware that the high interest rates policy currently being pursued at the federal level is having a disproportionately heavy effect with regard to the farm community in the province of Ontario? Is he aware that a good many farmers are facing very grave difficulties because their call loans, their demand loans, are shooting up in terms of interest costs at a time when they've already invested their money in assets and have no real opportunity to recover by way of price increases of an immediate sort the cost of these interest rates?

Has the Premier any particular policy to deal with this? Is he aware of the problem? Can he take action in the reasonably near future considering not only the destabilizing impact these interest rates have on the farm communities, but ultimately the effect it will have in raising the price of food for all Ontarians?

Hon. Mr. Davis: Mr. Speaker, I am aware of it in that I still have, perhaps, substantially more farmers in my constituency than the Leader of the Opposition, although the numbers have diminished over the years. I am aware of the impact of higher interest rates upon the farm community as well as upon many other segments of the people of this province, not just farmers but consumers, small businessmen and large corporations.

As I indicated to the leader of the New Democratic Party yesterday, we as a government are concerned. There was some suggestion that perhaps there should be a discussion of this at the first ministers' conference. Whether or not that will take place, I still question whether a particular province can do anything unilaterally with respect to an interest rate determined by the Bank of Canada.

I think all of us are concerned about the size or the extent of the prime interest rate, but I think to suggest that we as a provincial jurisdiction can resolve this would be really leading the people astray. I think that in itself is something that probably could not be accomplished.

I have a concern with respect to the farm community. I would only say to the Leader of the Opposition it's a concern really that is felt by many other people within the economy, where the impact for them would be very comparable.

Mr. S. Smith: By way of supplementary, may I ask the Premier whether he is aware of the recent statement and article by the president of the Ontario Federation of Agriculture indicating the somewhat emergent and urgent nature of the difficulties faced by the farm community? Is he instructing his Treasurer (Mr. F. S. Miller) to make any specific recommendations at the federal-provincial meeting on how the matter can be handled on something other than a provincial level? I agree with the Premier that it probably requires a more concerted effort.

Will the Treasurer be making any recommendations, especially in view of his statement yesterday that he was planning to go to the meeting more to listen than to offer suggestions on the subject of interest rates? Would the Premier instruct the Treasurer to make some suggestions for cushioning the

blow to the farm community before we start to see the very dreadful negative impact of foreclosures and all the other things that neither he nor I would wish to have happen in Ontario?

Hon. Mr. Davis: Mr. Speaker, I would say with respect that when we talk about foreclosures we're talking about mortgage interest rates. For the farmers that I know relatively well, to the extent that they have mortgages on land, the prime interest rate does not affect them. Those are mortgages that are in place, some of them at substantially less than the 14 per cent.

Mr. S. Smith: Loans could be called if they are on a demand basis.

Hon. Mr. Davis: All right. I assumed when the Leader of the Opposition said foreclosure he was referring to the mortgages a number of farmers have on the entire property. The member on his left (Mr. Nixon) is an exception to this, I'm sure, but there are still some farmers with mortgages on the entire property.

Mr. Nixon: It came from hard work.

Hon. Mr. Davis: I know it's come about by hard and diligent work on the part of his family. Shall I say more about how hard he works? Is that enough? I thought we were really very expansive earlier this week with respect to his great accomplishments and so on.

Mr. T. P. Reid: It's been downhill ever since.

Hon. Mr. Davis: For the member?

Mr. T. P. Reid: For you.

Hon. Mr. Davis: I wouldn't say that about your colleague.

Mr. Speaker: Order.

Hon. Mr. Davis: He's interrupting me, Mr. Speaker.

Mr. MacDonald: You're interrupting yourself.

Hon. Mr. Davis: Now you're interrupting me. Mr. Speaker, I really have difficulty accommodating all of these supplementary questions.

Mr. Speaker: You've ignored me before. You can ignore them.

Hon. Mr. Davis: Mr. Speaker, I would never ignore you consciously. If unconsciously on occasion I ignore you, I apologize.

Mr. Kerrio: Meanwhile, back at the farm.

Hon. Mr. Davis: With respect to what the Treasurer was suggesting to the Leader of the Opposition in terms of interest rates, one can get a lot of very valid arguments on both sides. Some economists will argue that our interest rate should not be tied to that of the United States. Obviously the head of the Bank of Canada feels that at this moment there is no alternative. This has been the tradition of the heads of the Bank of Canada for the past number of years and primarily supported by the government, both present and past.

I don't pretend to be an expert in terms of whether this country can dissociate itself from the lending rate in the United States. I confess to the Leader of the Opposition that I don't have this degree of expertise. I am concerned about it, because while he singles out the farm community this morning, with validity, the concern I have goes beyond just the farm community.

[10:15]

We have small businessmen with demand loans. In terms of the price of food, there's no question the potential is there for some impact. This also applies to some consumer goods. A small businessman, or even a larger businessman, if faced with a one per cent increase in prime rate, has to calculate this into his cost of production. This in turn reflects itself in what the consumer must pay.

It is a matter of concern for all Canadians why we are in this position and how we can effectively get ourselves out of it. I can assure the Leader of the Opposition—while the Treasurer may suggest he is there to listen, to get the rationale—he will also have some points of view to express. He will express the concern of this government with respect to the impact on the farm community, the manufacturing sector and the small businessman, as well as consumers.

Mr. MacDonald: I recognize it is extremely difficult and irksome for the Premier to cope with the fallout of the disastrous policies of his kissing cousins in Ottawa, but may I ask the Premier this question?

Since farmers have over $3 billion out in debt, most of it short-term debt to finance the crop cycle and operations in any given year, subject to one per cent in addition to prime, so that they get the full impact immediately, is it not necessary for the Premier to do something other than say he is going to have a talk with his kissing cousins in Ottawa to find out what their rationale is? We know what their rationale is.

Isn't it the government's obligation to present some alternative? If necessary, if it really thinks it is important, should it not lower interest loans to farmers for the financing of their annual rotations in crop business?

Hon. Mr. Davis: Who was that enthusiastic applauder?

Mr. Swart: It wasn't for you, Bill. It was for Donald.

Hon. Mr. Davis: I see. The consumer expert. I just didn't see who was applauding so vigorously.

With respect to the farm community, a good portion of the moneys the honourable member referred to would apply to loans that are not within this province. If there were to be a specific program to relieve that very important sector, this would have to be a national-type program.

Mr. MacDonald: We did it with junior farm loans.

Hon. Mr. Davis: We did it with junior farm loans but they were not short term. There were a number of them in my riding, far more than in the honourable member's. The junior farmer loans were to assist a young person wishing to get into the farming business. They were not short term to reflect the increase or decrease in terms of the prime rate. They were really to assist young farmers to get into the business at a subsidized or lower rate of interest. There were certain prescribed prerequisites for the junior farmers to be eligible for that kind of loan.

The member is fully aware of the scope of the program and what it was intended to do. If there is to be a specific program for the farm community, which I think would then lead to requests—I am only guessing at this —for specific relief in other areas, it would have to be a national-type program.

I can assure the member for York South ours is not just a question of listening and accepting or rejecting the rationale of the government of Canada in their support of the Bank of Canada. We recognize it is incumbent upon this government to see if there are any other alternatives.

I don't want to mislead anyone by suggesting there is an easy way out of this difficulty. One can fiddle with this thing and can say we are concerned, as we are, about the farm community. It is a very valid concern. But I have to emphasize to the member for York South, while he may not have the same sympathy for the manufacturing sector, for the people who are in the business of producing goods, whether they be large businessmen or small businessmen, they are, on this Friday morning, faced with that same sort of difficulty.

It may not have the same personal impact on them, although there are many small businessmen who are unincorporated who I would guess have probably personally guaranteed their loans from the bank. The impact for them is as significant as it is for the farm community. I am not in any way saying we aren't concerned about the farm community.

Mr. Foulds: Translate your concerns into action.

Hon. Mr. Davis: I know the member for Port Arthur would translate it into action. I know what kind of action he would suggest, but this would only complicate the matter further and lead to a further difficulty for the economy of this country. Those are the kinds of solutions he and his leader in the nation's capital would suggest. The people cast their judgement on his wisdom not too many months ago and as a result of that judgement, he is where he should be—in a minority position.

Mr. Riddell: How can the Premier say any assistance would have to be at the national level when he knows full well the farmers in Quebec are very highly subsidized by the government? He can rest assured the farmers in Alberta are going to be well looked after because of the money they have in that province.

Is the Premier aware that ever since the Minister of Agriculture and Food (Mr. Henderson) was appointed to his position he has been going around the province saying his aim is to make Ontario more self sufficient in food production? If we are not going to somehow compensate these farmers for the high interest rates, how are we ever going to expect them to produce enough food to meet the domestic consumption, let alone have them become more self sufficient in food production?

Hon. Mr. Davis: I would say to the member for Huron-Middlesex he must be in support of all those things the Minister of Agriculture and Food is saying.

Mr. Riddell: If he does them.

Hon. Mr. Davis: I am sure he goes back into his own riding and says, "The Minister of Agriculture and Food is right on. I agree totally with everything he is saying." In fact, if I read the columns of the colleague on his right, he takes this position on so many things the government is doing. I read those columns and I sometimes say to myself, that distinguished member really is writing the column as though he were a Tory member.

Mr. Kerrio: We all understand the problems.

Mr. T. P. Reid: Answer the question.

Hon. Mr. Davis: I really don't think the farmers are looking for subsidization. The farmers in my riding, and I don't think they

are any different from the farmers in the ridings of the members opposite, are not looking for subsidization. What they are looking for is a fair price for their commodity that gives them a fair return on their investment. This is what they are looking for.

I think part of the answer—and I hope this is recorded—has to lie with the banking community. While they are affected by the prime interest rate, no question about that, they should be exercising some substantial discretion with respect to the farm community and others in terms of how they deal with the demand loans and the interest rates being charged.

I think there is a degree of flexibility within the banking community and I would hope they would be exercising some discretion and judgement with respect to this problem.

Interjections.

Mr. Speaker: We've spent 13 minutes now on the first question.

Mr. T. P. Reid: No answers.

Mr. Speaker: The questions themselves have taken up about four minutes of that time, so the balance have been in the answer. Surely, there is a message there some place.

Mr. S. Smith: Is the Speaker instructing me to take nine minutes for the question and get a four-minute answer?

Hon. Mr. Davis: If you take nine minutes for the question, you'll get a 27-minute answer.

Mr. Breithaupt: That's the problem, we know that.

ACID RAIN

Mr. S. Smith: I would like to ask a question of the Premier on the subject of acid rain and Inco. Is the Premier up to date on what his minister has been saying? Can he clarify the government policy on this matter for the House?

I draw to his attention in particular the fact John Fraser, the federal minister, has said, "It is our present intention to rely on the provinces to put in place the needed control requirements with regard to acid rain."

An hon. member: The ball's back in your court.

Mr. S. Smith: Given the fact the Minister of Environment on February 5, said there was basically no point to Ontario acting alone; and on October 16 said Ontario would act in concert with others; and on October 25 also said they would have to act in concert, but they would also act alone and in advance of other jurisdictions, there is an apparent change.

Given the fact in yesterday's question period the minister said, "I don't think so," when asked if he would levy a control order against Inco before the end of this year, yet last night said Inco was his first target, what is going on with regard to this province and Inco? Why do we not get one clear policy from the government? Why won't they levy a control order, which the Premier and I must surely know is the only way Inco will be stimulated to do anything in the way of cleaning up that situation?

Hon. Mr. Davis: There has been a control order. I am not here to defend Inco, but I would point out to the Leader of the Opposition, that Inco is a very important industry to this province, to the country and very important to those citizens in the Sudbury basin.

I think it is fair to state Inco has made substantial progress over the past number of years with respect to the reduction of emissions. There was a control order at 750 tons, whatever the figure was, which I think most people on reassessment recognized was unrealistic—that the technology does not exist in terms of that being economically viable. As a result of that, the order was amended to entertain an objective that could be met. I think Inco has been successful in very substantially reducing its emissions.

I don't think there is any inconsistency at all in what the minister has been saying. Inco has been identified as one of the prime sources of sulphur emission. There's no question about that—no one has ever debated it. The minister has been saying, and I think it is relevant, that there are other sources. There is also some importance I think in terms of what is affecting the people of this province and that is acid rain emanating from the jurisdiction to the south. The minister has been saying there has to be some sort of concerted effort that works both ways.

I think it would be unfortunate if one were to say that Inco is the only problem, because factually a good part of the acid rain that affects this province emanates from a jurisdiction over which we have no control. The minister is attempting, I think with validity, to see that our neighbours to the south develop the same concern and are prepared to take the same sort of advice in terms of what might be done. It's interesting because there are other potential sources.

We think that through the co-operative efforts of Ontario Hydro the potential for sulphur emissions, for instance at Atikokan, can be controlled within a level that will not create this problem. The member for Rainy River knows full well the feeling in the

United States in respect to the potential emission problems at Atikokan—if he's not aware of it I can send him some of my correspondence—yet he still supports going ahead with that program and I understand that.

I think this thing has got to be put into perspective. We have to realize it's a fairly recently-recognized problem and there is still some scientific debate as to what extent the sulphur emissions alone are the responsible chemical. There are some people who will argue that the nitrogen part is even more important.

It's great for the Leader of the Opposition to say single out Inco; impose an order upon them which perhaps couldn't be met, which would result in either a reduction in production, layoffs, or some would argue the question of the total viability of Inco in Sudbury. This government has to take that into account.

I am not prepared to have this government move in a direction that would create a serious economic problem for the citizens of Sudbury. We have to take into account their livelihood, their concerns, their expectations. One can't do this in isolation from the other problems. It's great for the Leader of the Opposition to sit here in this House and say, "Deal with Inco. Don't worry about what our American neighbours do," but I have to tell him I think that has to be part of the discussion. They have to clean up some of their problems because they have an impact upon the people of this province.

Mr. S. Smith: By way of supplementary, since it has now been shown in the latest study that at least half of the acid rain falling on our lakes here in Ontario, affecting the livelihood of all the people who depend on the tourist industry in the Muskoka and the Haliburton areas with 40,000 lakes being threatened—and they are also people whose livelihoods the Premier should worry about—when it has now been shown that more than half the sulphur comes from Ontario and from Quebec; when we know that we have at Inco the largest sulphur polluter in the North American continent and one of the largest in the whole world, how does the Premier expect the United States will act if we are not ready to clean up our own act here in Ontario?

How does the Premier expect we are going to get any change in the acid-rain situation if he will not deal with the biggest polluter in the history of North America sitting right here in our own province and threatening to pull out every time some measure is introduced by an Ontario government?

This is the whole history of Ontario. Why doesn't the Premier stand up to them for a change and make sure that our lakes remain for future generations of Ontarians rather than as a dead legacy from a dying government?

[10:30]

Hon. Mr. Davis: I recognize the Leader of the Opposition can deal with this in very simplistic terms. This government really—well before the Leader of the Opposition—has taken the initiative with respect to the problem of acid rain—I say that with great respect; my memory is relatively good on this issue—and the Minister of the Environment (Mr. Parrott) himself has taken a great deal of the initiative in terms of identifying the problem and trying to find some realistic solutions.

I would say to the Leader of the Opposition it really helps us a great deal if he says that our American neighbours shouldn't be concerned about their act, that we should zero in on a single situation here—

Mr. Breithaupt: We didn't say that.

Mr. J. Reed: No one said that.

Hon. Mr. Davis: —without having some pressures exerted on our American neighbours, because as one looks down the road a little bit one sees the impetus that is being given by the United States, through the federal government, to the utilities to move from the use of oil, for the generation of electricity, to a substantial increase in the use of coal, which will increase the problem from their standpoint.

I would suggest to him that we should approach this in a balanced way and that we should keep the pressure on in terms of our relationship with our neighbours to see that they move in concert with us to deal with this problem. I would ask him, in quiet reflection, to recognize that this pressure is important and that our American neighbours must share in this problem and in its solution.

Mr. Germa: When the Minister of the Environment said he would be willing to close the plant down completely at certain intervals, does he intend to accomplish this closure without affecting the pay cheques of the 12,000 people involved? If he doesn't accomplish this, is it fair for this small group of people to pay the penalty to solve a global problem?

Hon. Mr. Davis: I am intrigued that the honourable member asked the question in that way. That is what I have been trying to say to the Leader of the Opposition.

Mr. Cunningham: He said it so much better.

DE HAVILLAND AIRCRAFT COMPANY

Mr. Cassidy: I have a question to the Premier. In view of the fact that last Friday Sinclair Stevens told the union representing the workers at de Havilland Aircraft of Canada Limited that the federal government would be demanding no guarantees from potential buyers about possible future foreign ownership or about maintaining a high level of research and development at de Havilland, can the Premier say how he could have given the House his guarantee last week that de Havilland will not go down the drain in the future and will not be moved out of Ontario, when the federal government is demanding no such guarantees?

Hon. Mr. Davis: I said to the leader of the New Democratic Party a week ago, with respect to de Havilland, that this government would make sure it did not move geographically out of the province of Ontario. I don't know by what means. It is not in issue. There are no prospective—I shouldn't say that; I don't know of any offers that have been made and I can assure the leader of the New Democratic Party I am even more interested than he is in retaining de Havilland geographically in this province.

Mr. Cassidy: Supplementary: Since the Alberta Heritage Savings Trust Fund is one of the rumoured buyers of de Havilland and since if it were to buy de Havilland I am sure the company would want to move some or all of its operations to Alberta—as happened with the maintenance operations of Pacific Western Airlines which came east in that case from Vancouver—can the Premier say how Ontario intends to implement the Premier's guarantee that de Havilland would not be moved out of this province, when no guarantees are being asked of a purchaser by the federal government?

Hon. Mr. Davis: As I say, I don't deal in rumours like the leader of the New Democratic Party. I haven't even heard these rumours. I don't know whether there is any substance to them or not. I just reiterate what I have said to the leader of the New Democratic Party: this government is as committed to retaining de Havilland in this province as he is; in fact, probably more so.

Mr. di Santo: Since the chairman of the Treasury Board made it quite clear that he won't bring the de Havilland problem in front of Parliament and, therefore, there will be no debate in Parliament, can the Premier assure this House he is going to make representations to the federal government so that de Havilland remains in Ontario?

Hon. Mr. Davis: I would be very surprised if the government of Canada didn't already understand that we are most anxious to have de Havilland remain in the province of Ontario.

Mr. Cassidy: If there are no guarantees forthcoming from the federal government to ensure that a purchaser keeps de Havilland in the province of Ontario, will the Ontario government change its stand and demand of the federal government that de Havilland remain as a publicly-owned company?

Hon. Mr. Davis: Mr. Speaker, I want to, I guess for the third time this morning, five times in total in the past seven days, reiterate what I've said to the leader of the New Democratic Party. I don't deal in speculation or rumour. This government is very anxious and committed, and whatever terminology he may wish to use, to retain de Havilland here in the province of Ontario.

INTEREST RATES

Mr. Cassidy: I have a question for the Premier about the increase to a record level in Canada's interest rates and the effect on small business, which accounts for about 60 per cent of the creation of new jobs in this province, over the course of the past decade. Would the Premier say what specific plans the government has to ensure that small businesses are not prevented from creating jobs next year because of the high interest rates? In particular, does the government intend to increase funding to small business through the Ontario Development Corporation next year, to help small business weather the credit squeeze created by the Joe Clark government?

Hon. Mr. Davis: Mr. Speaker, I'm delighted to see that the leader of the New Democratic Party is, (a) interested in business, (b) in small business and finally has recognized its importance in the terms of job creation.

It's intriguing to find out that at long last —I see the member for Sudbury is playing his violin, with his intellectual capacity he should be playing it this way. I say that very kindly. I think this is something this government has been talking about for a long time; that it is the small business community, it is the business community that does create the jobs. Unlike the leader's people who want to see most of them in the public sector. I'm delighted to see, at long last, their concern

about some of the problems of the small business community.

This government has traditionally made an effort to assist the small businessman in this province. We have done so with some success and will continue to do so because, believe it or not, we not only are more interested in job creation but also we've done more about it than the leader's party could ever do.

Mr. Cassidy: Mr. Speaker, supplementary—if I can cut through the Premier's rhetoric. Is the Premier aware that before the recent increase in interest rates the Conference Board in Canada was forecasting that only 10,000 new jobs would be created in Ontario next year? Given the importance of small business in creating jobs, is the government prepared to take any specific action to make sure small business can create jobs next year, or will we simply get dose after dose of rhetoric and no action from this government?

Hon. Mr. Davis: Mr. Speaker, if the leader of the New Democratic Party went back to the projections of the conference board of a year ago, my guess is he would have found them projecting an increase of 140,000 new jobs in the province of Ontario. Now that's just a guess. He didn't give me notice of the question, nor should he, so I wasn't able to do any research. My guess is he will find that to be the case.

If you take into account their projections of a year ago, the actuality of this calendar year—and I don't think our figures will be too far out—that within the private sector, within the business community both large and small, we have been successful in creating 140,000 new jobs in this province.

I think this is a clear indication of what is happening within the business community and their confidence in the economic policies of this government. As a result, we've had one of the highest levels of job creation of any comparable jurisdiction. We've done it because we've recognized that in order for them to not only survive but also to move ahead, it's not just a question of subsidization, which he would do on one hand and then take it from them by way of increase in corporation taxes on the other hand.

The NDP are the most hypocritical group when it comes to economic analysis. They talk about subsidization today. I'll make a prediction, Mr. Speaker, that the same member when the next budget comes down will say, "Mr. Treasurer, you should be upping the corporation tax by another five per cent or 10 per cent, so we can have more dough to spread in other areas." I'll make that prediction and I bet I'm not very far out.

Mr. Mackenzie: With the oil companies, we probably should. Self-righteous hypocrisy.

Mr. Cassidy: Supplementary question, before the Premier outdoes himself in the quantity of hyperbole. Is the government prepared to take any specific action to protect small businesses against the effect of the record interest rates that have now been imposed by the Joe Clark government, or does the government simply intend to stand on one side and watch small businesses go to the wall?

Mr. Mackenzie: You haven't answered the question at all.

Mr. Swart: You haven't answered one yet.

Hon. Mr. Davis: The member for Welland-Thorold says I haven't answered one question yet. The member hasn't asked one yet.

I have to tell you, Mr. Speaker, that party gets upset when we tell the truth about those on that side of the House; it disturbs them.

Mr. Swart: We wouldn't know; you've never tried it.

Hon. Mr. Davis: It disturbs them when we point out they try to have it both ways seven days of the week. They talk about subsidization protecting the business community today; tomorrow they will want us to tax them out of existence. There are just too many intelligent people in this province who understand that their party, when it comes to economic policy, is totally hypocritical.

Interjections.

Hon. Mr. Davis: It is and they should know it.

We will not see the small business community put to the wall. Our record in this government, in terms of what small business has accomplished, is excellent. Look at the job creation, look at what our incentive programs have done—which those members, incidentally, have rejected. We are interested in the creation of jobs. Those people aren't.

Interjections.

Mr. Speaker: Order.

Mr. Peterson: A supplementary to the Premier, who I am glad to see is here today. May I ask a question of the Premier, in the wake of this question and almost supplementary to the previous question about interest rates and the effect they are going to have on the provincial economy?

I understand the rhetoric the Premier is using this morning about our history in the last year. A lot of the people are less optimistic about our prospects in the next six to 12 months. Clearly, the interest rates are going to have a significant effect—

Mr. Speaker: Did you really want to ask a question?

Mr. Peterson: Yes. It's going to be a great one.

They are clearly going to have a significant impact on the economy of Ontario in many sectors. Would the Premier instruct his Treasurer, one, to study the impact of those interest rates on the Ontario economy; two, to take that position to Ottawa—and I would suggest the forum of the parliamentary committee meeting there—to let the federal government and the governor of the Bank of Canada know what Ontario's position is in this highly critical and most important matter we are going to have to face in the next six months to one year?

Hon. Mr. Davis: It is always a delight to have a reasoned question from the member for London Centre whose knowledge of the business community is so great. He probably enjoys that area more than he does political life even; he gets such excellent philosophical guidance from people very close to him.

With respect to the first part of his question, I can assure the member that there is no need to instruct the Treasurer to study the government of this province. He has, in fact, been assessing the impact of high interest rates.

The second suggestion, as to whether it might make sense for the Treasurer to appear before the parliamentary committee that is assessing the decisions of the Bank of Canada, I think is intriguing. I will discuss that with him; I find that a very helpful sort of approach. But if the member thinks the Treasurer and his ministry has not already been assessing the impact of high interest rates, I just want to tell him they have.

VISITORS

Mr. Speaker: I would like to draw to the attention of all members of the House—it may have a sort of moralizing influence—that Professor Mario Gomez d'Ayala, former president of the regional government of Campania, Italy, accompanied by Dr. Salvatore Armato, regional minister of tourism for that province, and Dr. Alessandro Ingala, regional minister of industry and commerce, are in the Speaker's gallery. They are in the city celebrating Neapolitan week. Would you please welcome them.

[10:45]

PUBLIC HOUSING

Mrs. Campbell: Mr. Speaker, my question is to the Premier. In the absence of the Minister of Housing (Mr. Bennett), would the Premier advise this House in precise terms what commitment his government gave to Mr. Sewell and Mr. Godfrey respecting the assistance to co-operatives which were endangered, and may still be endangered, by Metro's refusal to enter into the tripartite agreement?

Hon. Mr. Davis: Mr. Speaker, I cannot tell the honourable member in precise or even in general terms. There were discussions held with the mayor of the city of Toronto and the chairman of Metropolitan Toronto I believe late last week or on Wednesday of this week—

Mrs. Campbell: Monday.

Hon. Mr. Davis: On Monday of this week. There were a number of issues on the table. There was the question the member for St. George has raised. There was also the question of the Metro housing authority and just what progress might be made. My information is that these matters are still in the process of resolution and that significant progress was made at that meeting, but I am not sure I can tell the member for St. George it has been totally finalized.

I think they made very genuine progress. I will check on this and either the Minister of Housing or I will give a more definitive answer in the House on Monday.

Mr. R. F. Johnston: Supplementary: Is it not true the Minister of Housing released a statement the following day, to the effect he would guarantee the provincial commitment to those co-ops and they would not suffer if negotiations fell through, in response to a question I asked last Friday? Is that not the case?

Hon. Mr. Davis: Mr. Speaker, I think the member for St. George asked whether or not a resolution had been found to the problem.

Mrs. Campbell: A commitment made.

Hon. Mr. Davis: I think the minister had made it quite clear with respect to this, that he hoped to have a solution acceptable to everybody and, if there were no such solutions forthcoming, this government would see that problem would not exist. I think that is in substance what he said—that this was part of a broader discussion where there were a number of issues on the table and where my information is they were making substantial progress.

I'm quite optimistic they will find solutions to a good number of those matters, not just the question of the co-operatives. I will ask the minister if he can give a more definitive update on Monday of next week.

EDUCATION RELATIONS COMMISSION

Mr. Bounsall: A question of the Minister of Education, Mr. Speaker. With the expected resignation and departure very soon of Mr. Owen Shime as chairman of the Education Relations Commission, can the minister assure this House this very key and sensitive position will be filled by a person with a strong background in labour negotiations or arbitration and mediation or labour law?

Hon. Miss Stephenson: Mr. Speaker, in order to reassure those members of the House who have been hearing that fascinating rumour, whose source I really cannot define, that we were going to appoint as chairman of the Education Relations Commission, a social worker—

Mr. McClellan: What's wrong with social workers?

Hon. Miss Stephenson: —which seemed to me a somewhat inappropriate suggestion. I can say very clearly the search has been directed specifically towards individuals with capabilities, with experience, either academic or in practice, in labour-management relations, with some experience in the educational field and with a knowledge of law.

Mr. Bounsall: Supplementary: In that search, has the minister canvassed, or will the minister canvass a wide range of opinions, particularly from the Ontario Teachers' Federation, the various teachers' federations and the trustees' council, for names of persons who would have their confidence in that position, such as Owen Shime, who was acclaimed for that post by them when he was chosen, particularly inasmuch as that person must exercise a high degree of judicial judgement in determining such questions as bad faith bargaining?

In addition, is the minister going to increase the remuneration of fact-finders? The low rate of pay has caused some very qualified persons to drop off that list and we're in danger of being left largely with retired directors of education to perform those functions.

Hon. Miss Stephenson: I'm sure the honourable member understands that the role of the ERC relates very directly not only to the teachers' federations, but as well to the Ontario School Trustees' Council and individual trustees' associations. Any canvassing that is done should be equally balanced between both groups.

Ms. Gigantes: That's what the member for Windsor-Sandwich said.

Mr. Warner: That's what he said.

Hon. Miss Stephenson: I'm sorry, I didn't hear the member say that.

Mr. MacDonald: Then the minister wasn't listening.

Hon. Miss Stephenson: I only heard the member mention the Ontario Teachers' Federation. I was trying to listen but I couldn't hear. All I could hear was the reference to OTF.

Mr. Warner: That explains a lot about you.

Hon. Miss Stephenson: I listened very carefully to the suggestions which were made by all of those individuals with direct concern about the relationship between boards and school teachers. We have done some investigation of a number of suggestions which have been made. At this time I have not considered a modification of the fact-finders' level of remuneration.

INTEREST RATES

Mr. McCaffrey: I have a question of the Minister of Industry and Tourism. There has been a lot of discussion here this morning about high interest rates. I was particularly intrigued by the comment—I think I got it correctly—that the Premier made in response to one of those questions, when he said he hoped the banking community would utilize some discretion when reviewing loans to the farm community. One hopes the banking community would utilize discretion when reviewing some of its loans to small businesses. What, if any, specific steps might the minister take to see that the banking community does exercise this discretion?

Mr. MacDonald: That's a very good question.

Hon. Mr. Grossman: I think the point of the question is terribly relevant because in the next couple of months we have a lot of small business firms that are doing quite well at the present time. Notwithstanding what is happening in the United States, all of the predictions still look pretty good for many small businesses that are just getting under way in terms of exporting.

Mr. Warner: What is the minister going to do?

Mr. MacDonald: Doesn't the minister think the Premier's proposal was a bright one?

Hon. Mr. Grossman: In fact, the statistics for the last quarter in the United States, I would remind the House, look pretty good and indicate that the recession won't be as deep as it was predicted to be. What we are intending to do is make a direct appeal to the banking and financial institutions to ask

them to be sure they do not adopt policies which are so restrictive that small business firms, which in the long-term are and continue to be worthy of support, are not put out of business by calling a demand note on any of those companies. Obviously, if a company was deemed by the financial institutions to have a good enough product and good enough management to be worthy of support, I would hope the financial institutions would not simply say they have to meet this new, higher payment or they are going to call the loan.

For example, there are many instances where some of the payments being made are a blend of payments with principal and interest on some loans. I would hope one of the things the bank might do instead of increasing the amount of money required to be paid each month is to allow the company to maintain the same payment but make it an interest-only payment for whatever period of time is necessary—

Mr. Peterson: Make it slower rather than faster.

Ms. Gigantes: They're leading us into a crash.

Mr. Warner: In other words, the minister will do nothing.

Hon. Mr. Grossman: —to make sure that specific firm is able to stay in business and is not put under simply because of a short-term high interest-rate situation. I think that's reasonable for us to ask the banks to do, and I'll be making that direct appeal to them.

Mr. Mancini: Supplementary: That's very interesting concerning the representations the minister is going to make. If his representations should fall on small ears—

An hon. member: Deaf ears.

Mr. Mancini: Deaf ears and small ears—

Mr. Nixon: Small minds.

An hon. member: And closed ears.

Mr. Mancini: Small minds, closed ears and all of these things—does the minister have any other action that he plans to take? Can he also inform the House, sometime down the road, just how his representation is received?

Mr. MacDonald: Is the minister going to genuflect before he answers the question?

Hon. Mr. Grossman: Hearing aids would be the first thing we would provide in those circumstances. Quite clearly, the second thing we would do is not to have a legislative role. That would be a federal role, if that's what the member is suggesting.

Mr. Warner: Baloney! That's nonsense.

Mr. S. Smith: Either you come to work or you can always beg.

Hon. Mr. Grossman: I want to say that we are about to make those representations to the bank. Last night I was speaking in Thunder Bay to a division of the Institute of Canadian Bankers. I made that direct and open appeal to them. After the next week or so when we see what kind of response is developing, then we can reconsider the situation.

I would remind the member that banking institutions have in other circumstances—I refer to the strike in Sudbury—been fairly responsive to short-term situations and have adopted policies which are exactly reflective of what we're asking them to do right now.

Mr. Swart: If this discretion after the government's appeals is not applied and in view of the professed concern of the Premier for small business and for the consumers, will the minister consider recommending to the Premier—because of the tremendous added profit that the financial institutions will make, and their profit is already high—that there be a surtax, an excess profits tax applied to those corporations in Ontario and that money be recycled to small business?

Hon. Mr. Grossman: The member surely must have been out of the chamber when the Premier was pointing out the inconsistency of his party's position.

An hon. member: He was here.

Hon. Mr. Grossman: He was here? Talk about deaf or small ears. For those of the member's colleagues who were here, I will save them the punishment of having me repeat what the Premier said earlier.

Hon. Mr. Davis: That's not a punishment.

Hon. Mr. Grossman: All right, I'll do it.

Interjections.

Hon. Mr. Grossman: I'd love to do it but I know the Speaker will get angry with me. Frankly, answering that question, which essentially was answered earlier, would not add much to the discussion at this stage.

May I simply remind the member that some of the things he's talking about and that his leader was talking about this morning are exactly the sorts of steps and suggestions that led to some of the long-term economic structural problems we have in our economy. Interest rates and whatever steps are being taken by the federal government as unattractive and as uncomfortable as I happen to find them, are, in part, created by our inability to handle our economy and to allow it to mature and grow outside of those outlandish and foolish suggestions.

May I say that the federal government, I guess, just two days ago, introduced a new Bank Act which would introduce into our economy many more banks which would provide a lot more competition into the banking system. Again, I heartily support this and I think it would be a welcome addition to the resources available to small businesses.

Mr. Warner: There will be a lot more foreign banks.

Hon. Mr. Grossman: It's a hell of a lot more sensible for our economy than having the members of the third party regularly stand up in a knee-jerk fashion and say, "Listen, why don't you just grab all that money from them and throw it in wads at small business?" I thought the member's last remarks were most interesting when he said, "Why don't you just tax them and give it to small business?" I presume therefore that his opposition to the Employment Development Fund isn't to the grant aspect of it—

Mr. di Santo: That has nothing to do with it.

Hon. Mr. Grossman: —granting money to businesses, but to the fact we grant it to business people he just doesn't happen to like. I'm glad he got that on the record. I'm glad his party is now supporting recycling and granting money to small businesses.

RECRUITMENT OF FOREIGN WORKERS

Mr. Blundy: I have a question for the Premier. Given the fact that we have thousands of unemployed in Ontario and in the light of the Premier just having bragged about the creation of jobs in Ontario by the government, what are the views of the Premier on this advertisement which is cut out of the London, England, Daily Mirror, seeking applicants for jobs with Rowntree Mackintosh Canada Limited in Ontario, calling for apprenticeship-trained fitters and mechanics at $10.25 an hour plus benefits, plus travel allowance to Ontario and suggesting that enquiries be made at Ontario House in London, England?

[11:00]

Hon. Mr. Davis: It sounds so attractive I'm sure the member for Sarnia may himself be applying for that particular job. It might be very productive for him.

There are some employees who are being, shall we say, encouraged by some companies in this jurisdiction and in other provinces of Canada and, strange as it may seem, in many states of the union, who have a particular expertise. It is fair to state, if you trace the history of these companies and the numbers of employees in specialized trades who do come into Canada—some into the province of Ontario—you will find that there probably is a four or five times plus effect, in terms of other employment it creates.

We have discussed this at some length with the ministry involved, with the people at Ontario House and with some employers who have been doing this as a matter of practice. We have encouraged them to move into their own programs of skill-training. The government has increased its participation, but I think it fair to state that for a period of time there will continue to be a need in some specialized areas, to have people come in from outside this province. I regret that, but it is a fact of life.

I do emphasize to the member for Sarnia, the history of these will show that when they can find these particular people, and they are very few in number, this has a spillover effect, a multiplier effect of sometimes four to five times—some people may even say 10 times —the number in terms of the job opportunities that company is then able to entertain.

Mr. S. Smith: What are you doing about the apprenticeship program?

Hon. Mr. Davis: If the Leader of the Opposition is saying to me why don't we do more about the apprenticeship program as he throws his hands in the air, I just tell him, we are in fact doing it. We have been doing it for a period of time.

Interjections.

Hon. Mr. Davis: In answering his supplementary question, I say to the Leader of the Opposition he could do a little more in some of his public pronouncements if he encouraged young people to move into the apprenticeship field, instead of totally knocking the educational system. We all know what the problems are.

Mr. T. P. Reid: Now it's our fault.

Hon. Mr. Davis: Come on. Listen, I know what you said at McMaster not too long ago. I get these things.

Mr. Blundy: Mr. Speaker, my supplementary question is, of course, what is the government doing? What are its new plans to increase apprenticeship training in Ontario, trade training in the colleges and the high schools?

Not only was this job advertised in the English paper but also when Petrosar was being built in Sarnia we had to bring in skilled tradesmen from the United States while our own Ontario people were unemployed.

Hon. Mr. Davis: The honourable member knows full well there had been skilled people going into the United States just for the same reason.

My figures aren't that far out. The minister has just confirmed that for the year ending 1978 1,026 skilled and technical immigrants were brought into this province and their arrival resulted in the creation of 7,800 new jobs. I said five or six times. This turns out to be seven times in terms of the multiplier effect. This also included some 1,100 jobs in terms of apprenticeship and industrial training.

If the member wants to get specific figures from the Minister of Education as to the number of young people in apprenticeship programs, she would be delighted to give them to him. He knows full well, for instance, at Lambton College, that great post-secondary institution geographically about three miles from his own home, the extent of their skill-training programs and their co-operation with the industry in your community. In fact, the member and I were at an opening the other day where that particular company has moved in the field of apprenticeship training and it is doing something about skill training. I would like to think the member would acknowledge in this House that several other industries in his community are doing just exactly what he is suggesting. He knows they are, and let the record show he nods his head in agreement.

WCB REPORTS

Mr. M. Davidson: I have a question for the Premier in the absence of the Minister of Labour (Mr. Elgie) and the Minister of Health (Mr. Timbrell).

Has the Premier been made aware of a press report which appeared in the Hamilton Spectator on September 20, 1979, in which Dr. Jack Richmond, when speaking to the Canadian Society of Safety Engineers, was counselling them as to how companies could get around the Workmen's Compensation Board and counselling them to falsify and make vague the reports that are sent to the compensation board? He ends up by saying, "Make the forms as hard for them to follow as possible."

Can the Premier tell us what steps the Minister of Labour has taken to investigate the statements that appear in this report and, in particular, what action is the Minister of Labour taking to deal with a deliberate subversion of the Workmen's Compensation Board and a direct violation of the Workmen's Compensation Act, given that section 117 of the act imposes a penalty for not giving the information asked for?

Hon. Mr. Davis: I am not aware of that particular press report. If the honourable member would send it over to me, I will get a response for him from the Minister of Labour. I have not seen it.

Interjection.

Mr. Speaker: The honourable minister will have taken it as notice. Perhaps when the member sends the information over and it is responded to formally he will have an opportunity for a further supplementary.

Mr. M. Davidson: Mr. Speaker, there is another ministry involved here though.

Mr. Speaker: Perhaps if it is that detailed it should have been made an inquiry.

Mr. M. Davidson: If the Premier is going to check it with the Minister of Labour, and as Dr. Richmond has also suggested pressure be applied on family physicians to release sufficient information to the company, will he check with the Minister of Health (Mr. Timbrell) to see whether or not this is a direct violation of the Health Disciplines Act? Will he have the Minister of Health bring Dr. Jack Richmond before the College of Physicians and Surgeons to answer for proposing these kinds of action?

Hon. Mr. Davis: If the honourable member had asked that as the first part of his question along with the other part I would have given him the same answer. I was not aware of the press report; I am now. I will be delighted to get the information for him from the Minister of Labour, and now he has added the supplementary, from the Minister of Health.

SALE OF CROWN LAND

Mr. T. P. Reid: My question is to the Minister of Natural Resources. When can the people, particularly of northern Ontario, expect his ministry and himself to make a statement in regard to crown lots in northern Ontario? His ministry, in its flip-flop on policy, is charging what a lot of us think are excessive costs for these lots. When is he going to make a statement as to what he has decided?

Hon. Mr. Auld: I think the honourable member is aware there is a moratorium on the sale of crown cottage lots at the moment. There was some concern expressed about the method of establishing the price. I am hopeful we will have it sorted out in another month or so. I can't give a specific date, other

than as soon as we can because I know there are a lot of people concerned.

Mr. T. P. Reid: By way of supplementary, could the minister at least outline for the House and the people who are anxious about this matter what are some of the options the ministry is looking at, in case some of us might have some other ideas which might be of help?

Hon. Mr. Auld: I would be delighted to have any helpful suggestions the honourable member may have. Perhaps when we do our estimates next week we might pursue that.

The basic problem seems to be, in the case of lots which have been leased for some time, the owners have made improvements. It is a question of some argument as to how much of the value has been added by the lessee and how much was there before him. There aren't too many records. In a couple of places there are photographs which have been helpful. But to send an assessor from Government Services in there now, he sees what is there now; he doesn't see what was there when the person acquired it originally. That is the problem.

Mr. Foulds: Could the minister not use the method that has been suggested to him by many cottagers, that they take as an equivalent value what is an unimproved lot in the area?

Second, does he not think, if he is going to wait another month before making a final determination, he should make some kind of interim statement? Then those cottagers, who have been given notice they have to come to an agreement before the end of this year, would not be put into a squeeze the last six weeks of the year.

Hon. Mr. Auld: It seems to me I made a statement. There was a press release a couple of months ago saying no action would be taken until such time as we had really reviewed the question very carefully. There are also some other problems of course. Some of these lots were originally leased on an auction or tender basis, and there are considerable variations in adjoining lots simply because they were done by auction individually. You might have one based on a cost of, say, $2,000, and the one next to it which is virtually identical, $4,000.

Mr. Speaker: Time for oral questions has expired.

NOTICE OF DISSATISFACTION

Mr. di Santo: Mr. Speaker, I would like to file notice of dissatisfaction with the answer given to me by the Premier and I would like to have a late show on Tuesday night.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, before the orders of the day, I wish to table the interim answer to question 309 and the answer to question 312 standing on the Notice Paper. (See appendix, page 3911.)

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF INTERGOVERNMENTAL AFFAIRS (concluded)

On vote 603, local government affairs program; item 1, local government:

Mr. Grande: Mr. Chairman, when the time expired the other day, I was talking through you to the Minister of Intergovernmental Affairs about the situation that exists at this particular time in the borough of York, half of the borough of which I represent. I was suggesting to the minister that the mill rate difference between the borough of North York and the Metro average is 11 mills projected for this particular year.

As I was saying, the minister in May sent a letter to the mayor of the borough of York suggesting that a $280,000 grant would be made to the borough for this year, 1980. I would like to find out from the minister what kind of assessment the minister has made, and how the $280,000 figure was arrived at, because as far as I understand it, one mill in the borough of York raises approximately $311,000. The difference that exists between the borough of York and the Metro average of nine mills represents a figure of $2,700,000.

If that's what equalization is all about, if that's what the minister understands to be equalization, then I think the minister should be saying to the borough of York, "Quit. Give up," because the borough of York, as I suggested last time, simply cannot keep on increasing the property taxes on the people of the borough. Any increase in the taxation is going to be on the home owners because of the fact the borough of York has about 30 per cent industrial and commercial assessment and 70 per cent residential assessment.

I want to point out to the minister, and find out from the minister, whether the commitment the previous Treasurer made to this Legislature, the commitment that the borough of York is going to be receiving some money in terms of making up that difference between the Metro average and the mill rate in the borough of York, is still con-

tinuing, and whether the borough of York is still going to get some concessions from this government in order to alleviate the burden. Because the former Treasurer, Darcy McKeough, has left, has that commitment left the government of the province of Ontario and gone with him back to Chatham-Kent?

[11:15]

I just want to find out where that situation stands at this particular time. That commitment was made as a result of the government saying to the people of Metropolitan Toronto they would not accept any changes in view of the royal commission of the former Premier of this province, Mr. Robarts.

The Robarts commission knew exactly what they were doing in terms of trying to alleviate the financial difficulty the borough of York finds itself in. They attempted to expand the boundaries of the borough so that difference of 30 per cent commercial/industrial and 70 per cent residential would be a little bit more balanced. Then the home owners in that borough would not have to suffer 70 per cent of the increases in the property tax.

Is this ministry intending to say to the borough of York, "Raise your white flag and give up"? Is the government saying to the borough of York, "We cannot and Metro cannot equalize the mill rate across Metropolitan Toronto"? The minister knows that is the reason for the existence of the Metropolitan Toronto government. The reason for the existence of the middle-tier government—or the second tier or first tier, whatever name it is—is to do exactly that—to equalize the mill rate across each of the areas in Metropolitan Toronto. Obviously, for the borough of York, Metro Toronto fails. It does not equalize the rates and, therefore, the government has to make that commitment. If it does not, the borough of York, surely within the next little while, will go under.

If the minister wants the borough of York to become part either of North York or the city of Toronto, then perhaps he should say so. Perhaps he should say, "Amalgamate." Perhaps they should have done that 12 years ago, when we had the Goldenberg report, another royal commission. It said, in effect, an amalgamation should take place. At that time the government decided not to amalgamate, but rather—what was the word they used? I think the town of Weston at that time—

Mr. Bradley: Obliterate.

Mr. Grande: —to become part of the borough of York.

In other words, I am suggesting the government has the two options at this time: accept the recommendation of Dr. Goldenberg back about 12 years ago to amalgamate, or accept the Robarts commission recommendation to expand the borough boundaries.

Otherwise, if neither one nor the other occurs, that borough is going to continue to be in financial problems at all times. That borough will be continually looking to this government for grants over and above the equalization grants that have been frozen since 1970. Recently the minister made an announcement about the five per cent increase—the defrosting of those particular conditions.

I want it as clear as possible from the minister today what this government intends to do with the borough of York. If this government is going to continue that commitment next year, not $280,000 should be going to the borough of York but I submit to the minister it should be $2.7 million to equalize that grant. That would be needed to equalize the mill rate across Metro Toronto.

I attempted last time to remind the minister of the conditions in that particular borough. In particular, I wanted to remind him of the income of the people in that borough. I was reading then from a report entitled The Borough of York Housing Policy, where it refers to the family incomes of the people in that borough who earned under $2,000.

In the borough of York, 4.2 per cent of the people earn less than $2,000, whereas the Metro average is 3.9 per cent. For people who earn between $2,000 and $3,000, the figure is 3.4 per cent in the borough of York, while three per cent is the Metro average. For those who earn $3,000 to $5,000, it's 8.9 per cent in the borough of York while 7.7 per cent is the Metro average. For those earning $5,000 to $7,000, it is 13.9 per cent in the borough of York, while 11.1 per cent is the Metro average. I want to skip that middle figure because 28.4 per cent of the people of the borough of York earn between $7,000 and $10,000, whereas in comparison the Metro average is 22.4 per cent. Then going to the people who earn over $20,000, the figure is 4.5 per cent in the borough of York compared to the Metro average of 9.2 per cent.

As the minister can see in terms of family incomes, the borough of York is certainly not one of the richest boroughs in Metropolitan Toronto, but the mill rates in that particular borough are the highest in Metropolitan Toronto. Clearly the government has to make a decision in terms of what is going to take place and what is going to happen in that

borough. I would suggest to the minister that if that commitment of Darcy McKeough still continues and he is still going to carry it out, then he should begin by doing it for the year 1980.

Instead of writing a letter to the mayor, saying the borough will have $280,000 in grants, he should say it will have 2.7 million. Until he does that, the line which he throws out at every opportunity, that the reason for the Metropolitan Toronto government to exist is to equalize the mill rate across Metropolitan Toronto, is not existing, has not existed and the likelihood of it coming about is nil, zero and nonexistent.

I'm saying to the minister to act. Otherwise, in about five to six years we will have to struggle. We will try to maintain a separate entity of York because, after all, our history and pride in that borough of York go back perhaps much longer than in any of the other boroughs—perhaps not as long as in the city of Toronto, but certainly of the other boroughs. But we just cannot continue to increase the taxes on the residential sector any longer. The people will not allow it. The ball, as far as I'm concerned, is on that side of the House and they must act over there.

Hon. Mr. Wells: I would like to respond to the comments from my friend, the member for Oakwood. First, I think I should point out, not in any way criticize him but merely to draw it to the committee's attention, in case we review at some time perhaps why estimates take so long, we will be going over something I dealt with completely and in its entirety when the member for York South (Mr. MacDonald) made the same remarks and comments and raised the same questions about the borough of York.

I am now going to give somewhat the same answer. In effect, we're going over for another 20 minutes what this committee has already done. I have no hesitation in doing it; but I hope my friends on the other side, who seem to want longer and longer time for estimate periods, would remember this, and that we could save some time if we didn't keep repeating things over and over again.

Mr. Grande: If the minister has done that with the member for York South then I accept that and I shall read the record. I do not want the minister to feel that he or this committee is wasting any time. I just wanted, for my part, the people I represent in the borough of York to be knowledgeable about the position I take.

Hon. Mr. Wells: I recognize and respect the member's comment; I think all members of this House wish to put on the record their concerns for the people in their own ridings. I will not go into the whole answer but will add something I didn't have when I gave the answer.

Of course, we believe the borough of York should continue, and it should continue as a viable borough in the metropolitan system we have here. The problem is interesting. I think my former colleague, Darcy McKeough, highlighted it when he talked about the need for some new arrangement within Metro to compensate for the tax rates in areas like the borough of York.

I have just been looking over the 1979 residential mill rates for Metropolitan Toronto. First of all, the school board mill rates are equalized in Metropolitan Toronto, so that no matter what borough one lives in one pays roughly the same mill rate for school purposes.

In actual fact the borough of York pays a little less than all the other boroughs; its mill rate for educational purposes—and I guess this is probably for public schools—is 83.8, whereas in Scarborough it is 85.1, Etobicoke 84.1, East York 84.5, North York 85.1, Toronto 85.8, and the average is 84.76. The equalizing has something to do with applying the equalized mill rate to the assessment in each of the areas. Basically it is within a mill or so across Metro, but in actual fact the borough of York has the lowest mill rate of all the boroughs of Metro as far as the education mill rate is concerned.

With regard to Metro Toronto purposes—that is, the services that Metro provides and then raises on that next section of the mill rate—that is for Metro-wide purposes and isn't—and I underline "isn't"—done the same way as for education with an equalized mill rate; it is done a little differently, as I understand it. However, the borough of York is still one of the low ones at 41.1 mills for Metro Toronto general municipal purposes, whereas the city of Toronto pays about 48.9 and North York 43.8. The average is 43.6. So under Metro Toronto general purposes York is also a little lower than the general average.

It is in general municipal purposes, the local responsibility of the borough of York, where the problem arises; that is where its mill rate is 52.6 compared with the general average of 40.3 for general municipal purposes. It is that particular area where the real problem occurs, where the balance isn't maintained.

That is the area where the new program of equalization factors we have announced comes in. These factors are used for the new resources equalization grant, and the new

program we have put in will have some impact.

The grant of $280,000 that we gave last year was strictly an ad hoc grant, like the ones we gave to about 42 other municipalities in this province as a one-year ad hoc situation. This year, based upon the new factors and the way they will apply to the resources equalization grant, I can assure the member—because I have had many talks with the mayor of that municipality who also puts this case forward very vigorously at every opportunity—that York is going to benefit out of the new arrangement when the grants are announced.

[11:30]

We can't deal in specific figures until we have the full details of the total unconditional grants and how they will be calculated, which will probably be in about three weeks. Then we'll be able to calculate for York exactly what the grant is likely to be for next year.

Mr. Bradley: I have one brief question. I guess I will try to elicit a general philosophical comment from the minister in regard to his entire ministry. Now that we call it the Ministry of Intergovernmental Affairs I suppose certain responsibilities have increased considerably, although we took awav Treasury. It used to be the Ministry of Treasury, Economics and Intergovernmental Affairs.

I would like to get the minister's view on whether he feels a specific Ministry of Municipal Affairs—we're going back several years to a situation where there was a Ministry of Municipal Affairs—which would deal with almost everything that municipalities had problems with or dealings with, would be reasonable?

We get these resolutions—and he gets them all the time in his ministry, no doubt—from various municipal councils. Here's one wanting the fuel tax removed from municipal transit systems. I would have to talk to the Minister of Transportation and Communications (Mr. Snow) about that during his estimates.

Here's one to the Ministry of Revenue. Here's one concerning tax inequities, where taxation favours mobile restaurants over restaurants which pay property and business taxes. That's something I'd like to sit down and discuss with some minister some time. Here's a resolution respecting the use of provincially sponsored lottery funds for homes for the aged.

We recognize that many matters which affect municipalities pretty directly, and some of them more indirectly, involve dealing with various ministries as opposed to dealing with a Ministry of Municipal Affairs.

My question to the minister—I am trying to elicit perhaps a philosophical response—is whether he feels a single Ministry of Municipal Affairs to deal with all these matters related to municipalities would be advantageous, as opposed to municipalities, and I suppose to a certain extent the members, having to deal with a variety of ministries? That's the first question.

The second one deals with the situation where I understand the ministry has a new program which would attempt to guide municipalities in their expenditures. Apparently there's a new program out where they will take the number of dollars that a municipality spends on a specific service—let's say it's garbage disposal, or it might be recreation—and divide that by the population of that municipality and then compare that to what the average municipality in Ontario spends on that particular service, or they may be using a guide to what you should spend on that service.

I would make the point with the minister that this is very difficult to do for two reasons. One, the level of service that one municipality wants in a specific area may be entirely different from that of another area. Second, it's difficult to be comparable. For instance, with snow removal, if you divide the population of Sudbury into the city's budget for snow removal it is going to be considerably higher than that of the city of St. Catharines. It is felt by some that this would misinform the taxpayers of a community rather than be a reasonable guide in terms of the expenditures that a particular council is making.

I will ask the minister to comment by way of a general philosophical answer and then give us a specific answer to that question.

Hon. Mr. Wells: In answer to the member's last question, I think our municipal budget accounts department has been trying to develop standard costs for various services. I think we all recognize the problems you've indicated.

It's very difficult when you try to develop what is an average or standard cost. Everybody figures he's an exception. As the member probably knows, in the Ministry of Education average costs per pupil were developed and then used as part of the grant regulations, and people were above and below them. I think, for various municipal services—and I really can't deal in much greater detail about this and I would suggest if the member wants to know more about it, Alec

Trafford, who is the head of that branch, can probably explain it to the member—they have been looking at average costs and municipalities can perhaps then use them as a standard and perhaps we will find ways of being able to use them as a standard for various things in the future.

The first question the member asked I can deal with, as he said, in philosophical terms. We never did have a Ministry of Municipal Affairs in this province that dealt with all those things connected with municipalities. There were always very definite and specific functions. For example, the Ministry of Transportation and Communications and the former Ministry of Highways always looked after the roads maintenance budgets and the capital grants for bridges, roads and so forth, and had a big program that dealt with municipalities. The Ministry of Health always dealt with public health matters and therefore dealt with municipalities.

Mr. Bradley: When I referred to the Ministry of Municipal Affairs I recognized the other ministries existed.

Hon. Mr. Wells: Yes. They always existed and they always had within them programs that were operated or directly connected with municipalities and they dealt with the municipalities.

I suppose that the big operation that is not in our ministry now that was in the old Ministry of Municipal Affairs was the whole planning function. That is now in the Ministry of Housing. I think it's quite possible to sit down, look at future projections, and see those functions coming together again at some time in the future; the planning functions concerning municipalities with all those functions that are now in the Ministry of Intergovernmental Affairs and, perhaps, some others.

But I don't think we could ever arrive at one ministry in this province that had everything within it that concerned municipalities because there are too many programs that are part of, and tied in with operations of other ministries that, I think, would operate to the detriment of the programs if they were moved out in pieces just because they happen to be a municipal program.

The old Ministry of Municipal Affairs was split up because when it came into the Treasury ministry there were so many things all put together that certain functions were taken away from the Ministry of Municipal Affairs—assessment; the Planning Act, which went into the Ministry of Housing, and so forth. I suppose structure in government organization should always be an alive, ongoing process.

I would say that I certainly think, now that we do have a Ministry of Intergovernmental Affairs which is today's model of the old Ministry of Municipal Affairs without all the functions that ministry had, we should be continually looking at what could be done to make it more effective and, perhaps, the functions that it could take in dealing with municipalities that are done in some other areas.

I don't think my friend from Welland has talked about it in this debate, but we're still looking at the finance part. There is still a large part of the financial branches connected with the Ministry of Municipal Affairs that is in the Ministry of Treasury and Economics, and we're still looking at the proper arrangement for those branches and whether some of those functions shouldn't come into the Ministry of Intergovernmental Affairs.

Mr. Isaacs: Mr. Chairman, I have a very brief, final remark because I want to reserve a couple of minutes on the final vote for my colleague from Scarborough-Ellesmere (Mr. Warner).

I first want to say that I appreciate the frankness of the minister during consideration of the municipal affairs part of these estimates. I don't agree with all the answers, but I appreciate the frank approach that he has taken to them.

I have three very direct and very brief questions. On the first two I hope there will be some new information. The third is a repeat of one which I asked previously and which, I don't think, I received an answer for.

First, could the minister tell us when we will learn of the mechanism of buffering of the general legislative grant that is necessary as a result of the new equalization factors? When will that be announced to this House?

Second, what is the method of review and what will be the timing of the announcement for equalization factors or changes to the property tax system, or whatever it will be, that is put in place for property taxes for 1981? When will we learn about that? What mechanism is being used to derive the new system, if it's a new system that's going to be announced?

The third relates to municipal licensing. A number of my municipal colleagues have suggested to me we should let sleeping dogs lie, but I don't really believe in that philosophy. Sometimes a sleeping dog can wake suddenly and bite one. The minister's

predecessor announced that the taxation aspect of municipal licensing would be taken away from municipalities, that they would have the power only to recover direct costs and not to levy licence fees that were in a sense a form of taxation. I wonder whether the minister still intends to proceed with that policy. If so, exactly what will the timing be and what will the mechanism be for making those changes?

As a subsidiary question on licensing, a number of municipalities are continuing to request that they be given the power to licence pinball machines and the location of pinball machines. I wonder whether the minister can indicate whether he and his colleagues are prepared to proceed with that?

Hon. Mr. Wells: Very quickly, Mr. Chairman, I'm afraid the member is going to have to ask my colleague, the Minister of Education (Miss Stephenson), when she'll have the general legislative grant statement ready. I can't tell him that at the moment. I know they're working on it and hope to have it ready as soon as possible, but I can't give a date.

I hope we would have some indication of the way municipal taxes and the use of equalization factors and those things connected with deciding what the 1981 grants and apportionments are going to be would be ready about the same time as the new equalization factors would be gazetted in July, 1980. I'm not guaranteeing that, but that certainly would be the target I would like to work towards. I hope in our internal reviews we will aim at that date.

We're still looking at the licensing bill. The mechanism to effect new changes would be to bring in our licensing bill again. There were a number of complaints about it. There were a number of areas that provoked controversy. Over the winter I intend to review it completely again and perhaps we will introduce it. I'm not going to guarantee that, but perhaps we will. If we do introduce it, one of the principles, as far as I'm concerned, is that you will be able to recover all the costs connected with the function of licensing any service or area.

In other words, we've moved from the position of having a very minimal charge in preventing the municipalities from recovering costs in licensing. We're still discussing whether we would go beyond that or not.

Was there another question?

Mr. Isaacs: Pinball machines.

Hon. Mr. Wells: I know my friend asked about this the other day. I thought we had adequate legislation to allow municipalities to licence pinball machines at this time. I'd be happy to discuss it in more detail privately outside the estimates with him. I thought we had enough permissive legislation to allow that.

Mr. Chairman: For the information of the members, the clock shows approximately eight minutes remaining for the estimates.

Mr. Warner: Is there not another vote item, on shoreline property?

Mr. Chairman: This is the final vote. It's still 603.

Mr. Warner: Oh, it's in the same one. Could the minister tell me whether or not the concerns I've raised before—I raised them during the estimates of the Ministry of Natural Resources—with respect to the Scarborough Bluffs are related to his ministry at all? Or is it purely a matter which must be dealt with through the Metro conservation authority and the Ministry of Natural Resources? I raised the concern before, and I still do, that the shoreline is disappearing. The erosion problem is severe. There have been attempts to stop the erosion but they were running into difficulty because of the lack of provincial funding.

It may be that my concerns can be answered only by the Minister of Natural Resources (Mr. Auld), and if that is the case, fine, I will have to wait patiently for those estimates, as I did last year.

[11:45]

Hon. Mr. Wells: I can tell my friend the answers to his questions concerning the Scarborough Bluffs, an area about which I know he, the member for Scarborough East (Mrs. Birch), the member for Scarborough Centre (Mr. Drea), the member for Scarborough North and the member for Scarborough West (Mr. R. F. Johnston) are all concerned. We all want the bluffs to be preserved.

On this side, we have certainly been working very hard to be sure those things will be done to prevent the erosion of the bluffs. The programs are basically in the conservation authorities part of the Ministry of Natural Resources estimates. The shoreline protection program here is one connected with high water levels in the Great Lakes and it is not the program being used for the bluffs erosion problem.

Vote 603 agreed to.

Mr. Chairman: This completes the estimates of the Ministry of Intergovernmental Affairs.

ESTIMATES, MANAGEMENT BOARD OF CABINET
(continued)

On vote 401, ministry administration program; item 1, main office:

Mr. Nixon: Mr. Chairman, you will recall that under other important matters we were discussing the annual report of the Ontario Share and Deposit Insurance Corporation. Is there any additional information the minister has on that which he thinks might be useful?

Hon. Mr. McCague: When we adjourned there were a number of questions which I didn't attempt to answer then. I thought maybe we would respond to those as we came to the vote and item. Since the member for Brant-Oxford-Norfolk has again raised the point of the report, since the critics aren't here, I will probably answer that question.

The management board has approved a policy which states all reports should be produced as economically as possible and that expensive layout, artwork and binding should be avoided. The policy further states that annual reports should be limited to a brief, concise narrative of the activities of the ministry or agency over the past year, omitting material already available in other publications.

It would not be appropriate for me to comment on the content or format of individual reports, but merely state the management board's policy. I would suggest questions on specifics should be referred to the Minister of Consumer and Commercial Relations (Mr. Drea).

However, with reference to the Ontario Share and Deposit Insurance Corporation, I would note it does not receive any funds from the government. Thus it is a schedule four agency and it is not required to comply with the policy.

Mr. Nixon: I would like to ask the minister, since the corporation was specifically referred to by the provincial auditor in his report, which I quoted when we were dealing with this previously, how does the chairman of management board explain why it is not only continuing to exist, but obviously it is ballooning?

The annual report is an expensive report. It has professional photography. There are coloured pictures of all the secretaries, very nice-looking ladies: Ruth Rankin, secretary; Daisy Esler, receptionist, and Roger Savarin, dissolution co-ordinator. The whole staff is there. I think it is very nice, but I certainly don't want to pay for it and I do not want to be part of a Legislature that takes no action when we could very well reduce those costs, in spite of the fact it is simply an agency spending its own money. Frankly, I want to know why they even continue to exist and what change in the legislation has given them this lease on life?

Hon. Mr. McCague: I think the honourable member will recall this was established in this House under the Credit Unions and Caisses Populaires Act in 1976. It is actively involved in insuring shares and deposits with credit unions in Ontario. I told the member we really don't have control over that corporation. It is funded by the participating companies. I believe it is at the rate of about one per cent of deposits. They do have considerable money in their own right and I don't see that this government has any right to limit their annual report.

Mr. Nixon: I have just one further comment. I have a feeling there is some misunderstanding about the organization since the auditor's report states clearly: "It appears the necessity for maintaining the Ontario corporation, albeit on an inactive basis, has now passed." Why do we still have them?

Hon. Mr. McCague: The member is referring to the Ontario Deposit Insurance Corporation which was actually replaced by the Ontario Share and Deposit Insurance Corporation. Basically, they do the same thing, if you want to put it that way. The name has been changed.

Mr. Warner: The minister still hasn't answered the question. He has the auditor's report, I assume. He tells us the name has been changed but the function has not been changed. The auditor says there is no function worth preserving. Is that a report from a corporation that doesn't do anything? We have not yet had an explanation to the question which was asked by my friend from Brant-Oxford-Norfolk.

Hon. Mr. McCague: I think the question has been answered, but I will go through it again. When the Credit Unions and Caisses Populaires Act was passed in 1976, there was previous to that an Ontario Deposit Insurance Corporation. Following the act, that was changed to the Ontario Share and Deposit Insurance Corporation. That's putting in "Ontario Share and Deposit" in place of "Ontario Deposit." My understanding is the Ontario Deposit Insurance Corporation is an agency which is still on the books, as the Minister of Consumer and Commercial Relations has not yet determined whether it will need to be reactivated in the future. It would be appropriate to refer questions on this matter to that minister. The report which

the honourable member who has left is referring to—

An hon. member: He is back.

Hon. Mr. McCague: —is the report of the Ontario Share and Deposit Insurance Corporation.

Mr. Mancini: Is that the same corporation under a new name which, it was suggested in the auditor's report, possibly should be disbanded? I believe the minister said there was an act and something new was set up. It has to be one or the other. Once we establish that, could the minister tell us if exactly the same people are working in the new corporation who were involved with the old one?

What we really want to know is if there has just been a change of names, maybe to resolve the problem of embarrassment which was pointed out by the provincial auditor, as these people have been tabbed for not being very active. Did they therefore decide to publish an unnecessarily expensive glossy report so that all of us would be very impressed?

Hon. Mr. McCague: Mr. Chairman, let me repeat that I think I have answered the question about the Ontario Share and Deposit Insurance Corporation. It was set up under the Credit Unions and Caisses Populaires Act in 1976 by this House. There is still an Ontario Deposit Insurance Corporation to which the auditor refers. I don't believe it is an active corporation at this point. The comment we have from Consumer and Commercial Relations is that it should be determined whether or not it is to be reactivated in the future. "Reactivated" is the operative word, I think.

Mr. Mancini: I don't want to be unnecessarily hard to get along with—

Mr. Nixon: But having said that.

Mr. Mancini: —but having said that—thank you—but, Mr. Minister, we want to understand what you are saying. Maybe because your involvement is much more in depth, you possibly understand this matter better than we do. But I have to say, with all respect, that your information is not coming through very clearly. I think this is an awfully good example of where a committee, something like the procedural affairs committee, could sit in this Legislature with members from all sides of the House and call in these different crown agencies for in-depth review.

We just cannot get enough of the proper information during the estimates debates the way they are now. When the procedural affairs committee sat over the summer and had six different crown agencies before them —and I was there to hear four of the six—we got a much better view of what was going on, what they were doing, how much money was being spent and so on. Maybe you could consider that for the future.

I wonder if you could get back to the point I made a little earlier when I asked if it was the same people who were mentioned in the auditor's report who have now assumed a new name and have become activated with this other crown agency? Is it the same people who have just changed their names and have suddenly found things to do?

Hon. Mr. McCague: I may have, in my choice of words earlier, misled the member for Brant-Oxford-Norfolk. The Ontario Share and Deposit Insurance Corporation was set up under the Credit Unions and Caisses Populaires Act in 1976. Prior to that there was an Ontario Deposit Insurance Corporation. My information is that it is an inactive corporation. It has not been taken off the list of ABCs because the Minister of Consumer and Commercial Relations is considering whether or not it will be necessary at some future date to reactivate it.

I would suggest you might wish to discuss that with the minister, whose estimates I understand are on now. There is still some time left in his estimates.

Mr. Mancini: Am I not making myself clear when I ask if the Ontario Deposit Insurance Corporation and the Ontario Share and Deposit Corporation are basically the same people? Are they the same people?

Hon. Mr. McCague: No.

Mr. Mancini: Then it's a totally different crown agency. Would you know what the differences in their mandate would be?

[12:00]

Hon. Mr. McCague: The answer to that probably is no, but I can only tell you that the Ontario Deposit Insurance Corporation is an inactive corporation, whereas the Ontario Share and Deposit Insurance Corporation is a corporation set up under the Credit Unions and Caisses Populaires Act. They are not—

Mr. Mancini: What year was that?

Hon. Mr. McCague: Nineteen seventy-six.

Mr. Germa: Can I pursue this from another direction? I think I understand what the complaint is, that there is no clear direction from this ministry. I am wondering about the manual of administration, how it applies and why is it not explicitly laid out what expenditures are reasonable and should be allowed under the manual of administration. I don't know how many times in my attendance at

the public accounts committee people escaped from answering questions and accepting responsibility by quoting the weaknesses in the manual of administration. It is this precisely that my colleague is talking about.

Hon. Mr. McCague: I did answer that, I think, before the honourable member came in, but I want to reiterate that certainly management board has a policy for agencies, boards and commissions, depending on what schedule they are in. The Ontario Share and Deposit Insurance Corporation is one which the Ontario government pays no funds towards and, as such, is a schedule four agency, where our rules don't apply.

Mr. Germa: What the minister is saying is that he has no control whatsoever over the expenditures of a class four agency, board or commission, so it is out of the ball park as far as he is concerned.

Hon. Mr. McCague: This particular one is under the control of the Minister of Consumer and Commercial Relations.

Mr. Germa: Even despite that minister's direct responsibility, does not the manual of administration lay out how that thing should function?

Hon. Mr. McCague: I think there are some guidelines, but it is entirely financed by the industry.

Mr. Germa: I wonder if the minister could give us some of those guidelines and let us determine whether or not this expenditure was within the terms of reference of those guidelines?

Hon. Mr. McCague: I will bring the guidelines as they would apply to schedule four when we meet on Monday, or at least I will pass them over to the honourable member so that he can make that determination himself.

Item 1 agreed to.

On item 2, personnel:

Hon. Mr. McCague: I did, in the absence of the two critics, deal with the question that the member for Brant-Oxford-Norfolk had asked, but I did want to deal with other questions that were asked last week that would apply to this vote.

My colleague from Sudbury noted that the ministry's estimates increased from $87 million in 1977-78 to $108 million in 1978-79. A detailed explanation of the $21 million difference was contained in the briefing books which were distributed. A net increase of almost $20.7 million in the contingency provisions for anticipated salary awards was noted. This increase can be attributed to the late settlement of January 1978, which prevented provision of the effects of them being made in each ministry's printed estimates. The contingency activity is explained on page 24 of the book which you have.

Several general increases amounting to approximately $635,000 resulted from known salary awards, increased benefit costs, a change in accounting practices to better reflect the cash flows involved, and various program adjustments. In effect, the increase was due to a variation in cash flow and not to an increase in the cost of my ministry's operation.

There was a question asked also by the member for Sudbury regarding the affirmative action program. The women crown employees office is part of the Ministry of Labour and while it might be more appropriate to address the question to that minister, I will point out a few things. Some preliminary results are beginning to show up. I would like to highlight some of the results achieved by the program.

First, while the wage gap between men's and women's average salaries in the private sector has widened, the wage gap in the Ontario public service has remained relatively constant. In fact, the gap actually narrowed slightly at the end of 1978-79, from 70.5 per cent in 1978 to 71.4 per cent in 1979.

Second, there has been a small but steady growth in the women's representation in the professional module since 1975, and in the administrative module since 1976. These improvements and others have led to an increase in their representation in the salary range from $13,000 to $19,000.

Third, despite a reduction in the overall number of program executive positions in the public service, women have increased their percentage among program executives from 4.3 per cent in 1975 to 6.1 per cent today. A total of 1,200 special hirings and promotions of women have been reported since 1975 where women have moved into non-traditional areas or to levels of employment not reached in the past.

The number of women participating in government-supported staff training and development rose from 14,000 in 1976 to 19,000 in 1978. This was a 50 per cent overall increase, although women make up only 40 per cent of the total employment.

In addition, a number of other concrete actions have been taken to ensure that long-term goals of the program will be met. The rug-ranking element of secretarial job standards has been eliminated. This removes from the evaluation process reference to the level of the secretary supervisor. The wage parity adjustments were made for classifications of barber and hairdresser; helper, food service, and maid, food service; and tailor and

seamstress. Also, classification revisions were made to the laundry workers' series which recognized the complexity of tasks performed by women in the lowest range of that series. This led to improvements in their salary levels.

Over 2,000 women in the Ontario public service have attended ministry-run career development workshops which allow them to take stock of skills and aspirations and formulate goals for the future.

Mr. Germa asked whether I am satisfied that the affirmative action program is accomplishing what it was set out to do. I'd like to say that I certainly believe it has begun to do so. When the program was established we understood the objective of raising and diversifying women's occupational distribution would take some time to achieve. We intend to continue to build on achievements the program has begun to bring about.

All ministers are reminded of this every several months by the Premier. He stresses the long-term nature of the program and urges each ministry to continue to work for improved results. We have gained a good deal of experience over the last few years. We know what types of approaches work and which areas we'll have to put more emphasis on in the future.

Maybe I'll answer the question of the member for Brant-Oxford-Norfolk on executive automobiles when he returns.

Mr. Mancini: Since we're still on the personnel vote, I was wondering if the minister could elaborate on the government's position concerning the red-circling of employees? I wonder if he feels that is an adequate way to treat employees who may become redundant?

Would not the minister feel that there should be retraining within his government so that we don't have the problem that was well publicized approximately a year ago, where we had a middle-management civil servant making a substantial salary—and I agree with the government's policy that you can't turf these people out on the street, because they do have quite a bit of experience and expertise in certain areas.

But, as was made public some time ago, it appears when we take these qualified middle-management employees at a substantial salary and place them in areas where they feel they are not doing anything other than sharpen pencils, we are not only losing possibly a very capable person, but the taxpayers' dollars which are paying that person's salary are going directly down the drain.

I wonder if the minister has any comments on that and any ideas of how we could deal with this very difficult problem. Possibly the minister mentioned it a week ago, but I cannot recall the total number of red-circled employees we have in the ministries and what their cost to the taxpayers is.

I have one other question on this. What is the average length of time for an employee to be red-circled before he or she is no longer classified as such and what happens to him then?

Hon. Mr. McCague: The honourable member has picked out one case of red-circling and pencil-sharpening. I wouldn't want him to get the idea that was a common occurrence; it is very much the opposite.

The member has stated that red-circling, rather than laying off people or having them leave the service, is an admirable program, and I agree that is so. When a position becomes redundant, and this is where we get into the bulk of the problem, the employee is offered other employment within the Ontario public service. If the job it appears the person is qualified to do has a lower salary than the one the employee is at present receiving, the employee can, of course, continue to receive the present salary until the salary level in the new job goes above the level at which the red-circling took place.

There is every opportunity for any person in the civil service to get training in Civil Service Commission programs.

Mr. Mancini: I appreciate that I gave the minister six questions all at once, and I am sorry for that. I wonder if he could state the cost of red-circling and also the average length of time an employee is considered to be red-circled.

Hon. Mr. McCague: I am not sure we have that figure. I will attempt to get it, but I certainly don't have it with me today. The length of time depends on a lot of things—the differential at the start, placement factors and so on. I don't have the answer. We will attempt to get it.

Mr. Germa: Could I pursue the affirmative action program a little further, Mr. Chairman? When the minister was responding to my question he did make reference to the "long-term goal" of the program. I don't know precisely what that means. What is the government's intention? What are the percentages and numbers, or salaries? How is the government going to measure, and how does it know when the goal has been reached?

If, as the minister has said, women make up 40 per cent of the civil service staff, is the government going to persist until such time as their remuneration is a percentage equal to their number, or is it just going to

go by per capita figures? Maybe the minister could tell us what is the government's goal, and when do we know we have arrived at that goal?

[12:15]

Hon. Mr. McCague: My personal goal, and I'm sure it is that of the Premier of this province, is to increase the percentage of women in total. The goal is a continued improvement. I don't have any crystal ball that would tell me what the ultimate is. I think the answer to the member's question really is continued improvement.

Mr. Warner: To what?

I wasn't going to enter into this until I heard the minister's answer. Continued improvement to what? What level is he looking at and what comparison figures for salaries is he looking at? What is the end goal of this government in its affirmative action program?

The answer the minister has given me would indicate that we're just going to wander. We want something a little better, but we don't know exactly what it is that we want. We don't have any particular end result we're looking for.

In answer to my colleague from Sudbury, the minister started to say that while the figures show approximately 40 per cent of the civil service is female, it sounded from his answer that he was looking for a 50 per cent ratio; but he didn't say that. Nor did he say whether or not he's looking for equal pay for work of equal value. Is that one of the goals for this government?

I would appreciate it very much if the minister could define, very clearly, what is the goal of the government in its affirmative action program. Secondly, will it institute for women equal pay for work of equal value throughout the entire civil service?

Hon. Mr. McCague: Mr. Chairman, I think it's fair to say, we don't have a defined goal that it should be 50-50. That's very difficult to do, as the honourable member knows. I think it's an admirable goal to have improvement in the system.

We are encouraging, at all times, women to seek higher positions. As the honourable member will know, we're not adjusting salaries for the sake of doing that within the system. What we are trying to do is to get women to apply for and to accept higher positions which attract higher salaries.

For me to give you something definitive as a goal, 50-50 would be fine. We're going to have to encourage more women to be engineers and we're going to have to encourage more males to be typists. There are a lot of ways it could be done. But I think the member has to admit a percentage point improvement over a couple of years is worthy. I can tell the member it's a program that is being pushed by the Premier and by ministries of the government.

Ms. Bryden: I would like to follow up on that. Can the Chairman tell us how many affirmative action officers are full-time, how many are part-time and how this compares with last year? Has there been any increase in this field?

Secondly, does he himself endorse the principle of equal pay for equal work? If he does, is he working on methods of implementing this principle?

Hon. Mr. McCague: I have the numbers here. Every ministry has a full-time or a part-time affirmative action person on staff. There are 16 full-time and six part-time people.

Ms. Bryden: How does that compare with last year?

Hon. Mr. McCague: That's a little difficult to know. I don't know the answer but I could get it for you.

Ms. Bryden: The minister didn't answer the second half of my question as to whether he endorsed the principle of developing a system of equal pay for work of equal value; in other words, readjusting all the classifications so that you compare where the skill, effort and requirements are equal and there would be equal pay for the jobs in such cases. This will require considerable readjustment of job descriptions and so on, but I think it is a principle that we should be working towards.

Does the minister think that this is a principle that should be developed as part of our public service remuneration program?

Hon. Mr. McCague: There is no doubt about our desire to have females in positions in government and to encourage them to apply for those positions. There is no discrimination whatsoever as to what a person is paid, be they male or female. We are encouraging women to apply. I would even say that if it was a toss as to who should have the job I think the member's side would win.

Ms. Bryden: I don't think the minister understands my question completely. It isn't a case of paying a woman economist the same as a male economist. It's a case of looking at all the jobs and seeing where the effort, the qualifications, the input and the responsibilities are equal and reclassifying those jobs at equal rates of pay.

Hon. Mr. McCague: We're doing that. It's an on-going process.

Item 2 agreed to.

Mr. Warner: It carries with protest.

Items 3 and 4 agreed to.

Vote 401 agreed to.

On vote 402, policy development and analysis program; item 1, compensation:

Mr. Germa: There was a question which I had raised during my leadoff that the minister was going to answer on vote 401.

Hon. Mr. McCague: Mr. Chairman, again the member for Sudbury raises the question about the Quebec announcement regarding maternity leave and maternity benefits. The Quebec government did announce that as part of the collective bargaining process they had just agreed to maternity benefits of 20 weeks with full pay and benefits and up to two years' leave without pay for child care at the employee's option.

Our own objective, of course, is to ensure that salaries and benefits for public servants are generally in line with those provided in the private sector. I think we are in line with the private sector.

The Finance minister in Quebec did state that the measure they have taken was among the most progressive offered by an employer in Quebec.

Mr. Germa: I wonder what happens to two public servants when they're both in the employ of the government—and that happens quite often where you have a man and wife team working—and there's a sickness with children in the family. Is there any provision to accommodate an eventuality like that which causes and would require one of those parents to be absent from work maybe for an extended period of time? Has the minister ever pursued or thought about that problem?

Hon. Mr. McCague: I think we do have provision for compassionate leave. Of course, it would be leave and not time off, as you would recognize. I think that is sufficient to take care of the situation.

The honourable member also asked some questions regarding pensions in the public sector. Specifically, the funding of pension plans. Future pension entitlements of the pension plan members in the Ontario public service are as secure as those of any other pension plan. The Ontario Pension Benefits Act, which regulates all private sector pension plans, applies to plans in the Ontario public sector. This act provides that actuarial evaluation must be filed with the pension commission every three years. The actuary establishes the liability by making an estimate of total costs of providing pensions to all current members of the plan, as well as the retired employees. These estimates must take into account retirement rates and termination rates were applicable, as well as mortality rates and the estimated rate of inflation and the salary levels of the plan members. This means projecting far into the future.

Once the estimated liability has been established, the actuary looks at the assets which include the existing funds and the present value of future employee and employee contributions, employer and employee contributions to all investment returns. The total value of assets is compared to the total value of the liabilities. Plans in the Ontario public sector amortize unfunded liabilities as stipulated under the act. Amortization payments are made under such plans as the teachers' superannuation. It may seem high until it is remembered that they apply to 114,000 members and 19,000 pensioners.

According to the latest statistics on pensions, 95.5 per cent of all pension plans in the private sector have fewer than 500 members and while liabilities in respect of each plan will be much lower, they may be equal to or higher in respect of each member of the plan.

The Royal Commission on the Status of Pensions is carrying out a detailed study of all pension plans and it's expected that they will report early in the new year. I think there is much more background, Mr. Chairman, in the material. I would like to supply it to the member.

Mr. Germa: In reference to the examination of pension plans; the Pension Commission of Ontario, I presume, is the administrative body which does the nitty-gritty of that operation. It's come to my attention that there's a lot of money spent on hiring outside actuaries by the Ontario pension commission. I wonder if the minister is aware of that and has he got any views on that? There are people on staff, I understand, who should be capable of doing that. Yet despite these full-time staffers it has come to my attention that outside actuaries are used on a very active basis.

Hon. Mr. McCague: I would not agree that we should necessarily use the internal auditors. I think the honourable member would be one of the first to suggest, if we're to do that, why don't you go out and vote for an outside opinion?

Mr. Acting Chairman: Does any other member wish to participate?

Item 1 agreed to.

Item 2 agreed to.

Hon. Mr. McCague: We sort of jumped ahead there. There were questions asked by members in their opening remarks which I would like to respond to if we could go back to item 2.

[12:30]

Mr. Acting Chairman: With the permission of the committee, shall we return to item 2?

Agreed.

On item 2, staffing:

Hon. Mr. McCague: The member for Sudbury asked about credentialism. It is the commission's intent to eliminate all unnecessary references to credentialism in position advertisements, not as a means of saving dollars on academic qualifications but in order to allow qualified individuals more opportunity to compete for positions from which they have previously been excluded because of lack of formal academic qualifications. While we are working on this policy, the ministry is aware there are many cases in which the effect of the policy we are developing has begun to show results. Where it is not necessary, we won't be asking for credentials.

Unclassified staff was another subject addressed by the member for Sudbury. The number of such staff can range from 10,000 to 20,000 in a year. The reasons for their appointments are set out in regulation 749 under the Public Service Act. I think the honourable member has heard the reasons for unclassified staff before, but I will read them into the record. They include seasonal workers; part-time workers; those working on non-recurring projects; students; temporary staff under the commission's GO-Temp activities; some individuals hired in a professional capacity and some persons hired in a special capacity such as ministers' executive assistants or persons hired overseas by the Ministry of Industry and Tourism who fall under local labour laws.

As was announced by my predecessor, with the introduction of the new manpower control system a large number of unclassified positions were converted to the civil service because they proved to be ongoing situations. In many cases where the incumbent had been performing the job for some time, the person was appointed to the service as well. This cleared up a lot of unpleasant situations. I would point out that the collective agreement with OPSEU includes clauses on benefits and working conditions for unclassified staff in the bargaining unit. A similar package under regulation 749 applies to unclassified staff not in the bargaining unit.

This still leaves the individual of whom the member spoke. We have not discovered any person who has spent 30 years moving back and forth between ministries on an unclassified contract. If the honourable member knows the person's name, we would like to know about it.

Seasonal contracts are necessary in many places; for seasonal parks, for example. The commission sets nine months as the limit to ensure that any job which requires employment on approximately a full-year continuing basis is in the classified service. Unclassified staff is not transferred between ministries. This person must be applying back and forth as each seasonal contract ends. Still, I think I can see his point, if the end result is continuous employment in the public service.

I understand the Royal Commission on Pensions in Ontario is looking into such things as pensions for part-time staff and has examined our pension system and employment quite thoroughly. In addition, I can assure the member that our overall review of personnel policies will include researching this problem of interministerial employment.

Mr. Germa: When I look at the figures in the report of the Civil Service Commission, I think the bottom-line figure was something like 12,000 unclassified staff. I don't have the page right now. That seems pretty high to me. In fact, I have had personal complaints from people with as much as 16 years' service with MTC who still have not acquired status as classified crown employees. These rumblings are throughout the whole system. When there are 12,000 people in that never-never land where they never have accomplished and are never going to accomplish any permanency or tenure, I think the government is taking advantage of them.

As far as I can understand, there are people who are deliberately laid off, even though the job continues, such as a radio operator in MTC who has been operating that radio for nine months a year for 16 years. He still hasn't acquired any status. I just think that's a dirty trick to keep a person from any sense of security.

I am sure if the minister will dig into it, he will find various others out of those 12,000 listed who are maybe not in such a severe position but who have been teased for several years with what he prefers to call seasonal jobs and which are not seasonal at all. To the employee they are seasonal, but as far as their use is concerned it's a permanent position.

Hon. Mr. McCague: Mr. Chairman, this is a matter that comes up every year and I

can understand the points the honourable member makes. It is true there are some people who are on the unclassified staff and on the nine-month year who are unhappy about that, but by the same token, there are a lot of those people who are happy with the present arrangements.

It is a condition of employment, as the honourable member knows. I don't agree with him that it's a mechanism to automatically lay people off. I think it is a condition of employment for a certain task. I have some in my riding who have been 20 years with the parks and are happy with it; others are unhappy.

Mr. Germa: I did make the accusation that there were transfers from one ministry to the other. The minister has refuted that. He says it just doesn't happen.

I understand the Public Service Act regulation 749, section 5(1) provides for just this eventuality. If that is not the case, why is this regulation which would allow it in place? As long as the regulation allows this to happen, I cannot see that every one of those 12,000 employees could be monitored. I could not be assured, to my satisfaction, that somebody, someplace in this vast bureaucracy, is not doing that, maybe without the minister being aware of it.

Hon. Mr. McCague: I'm sorry if I misled the member. I don't think I said it wasn't happening. I said if it was happening, we would like to know. The fact would be, if a person gained year-round employment by working nine months for one ministry and three for the other, it is our belief that would not be through a transfer from one ministry to the other, but the person would have their nine months with one ministry and then would apply for a job that took them for the other three months in another ministry. If there are people like this, as I say, I'd like the honourable member's assistance in letting me know afterwards who they are in order we might check it more carefully.

Mr. Germa: Let us presume this did take place; I think it does take place. This person works for nine months for this ministry and three months for the other ministry. He has, in fact, accomplished one year of employment with the government of Ontario. Why is it not looked upon as that? The minister knows if this person does happen to do what he suggested, nine months here and three months there, he still has not got permanency or classified staff status, even though, by the minister's own admission, he has worked for the government of Ontario for a full 12-month period. It is that regulation I quoted, I believe, which precludes him from gaining classified status.

I think if a person is working for the government of Ontario they are working for the government of Ontario and that should be their seniority, not transferring from one ministry to another. In the private sector, certainly, that is true; people go from one department to another all their lives and this seniority keeps building. He might, in a period of 20 years, have been on the shipping floor or behind the counter or in the personnel office, regardless of which department. They are just as separated in the private sector and yet that doesn't happen except in this case.

Hon. Mr. McCague: Mr. Chairman, as I said—or if I didn't say it, I will say it—I can assure you that our overall review of the personnel policies will include researching this problem of interministry employment and I think I said that earlier. We will do that, but again I must reiterate, if the member could give us the names, it would be very helpful.

Mr. Germa: I don't think that's the answer to the problem. I could go out and scour the province of Ontario. It's not my job. I have neither the facilities nor the time. I think it is the minister's responsibility to go out and scour those ministries to see that they are complying with the policies and principles as enunciated by the chairman of management board because the chairman of management board is charged with the responsibility of setting overall policy. The minister seems to be a person of humanitarian instinct and I think if that is his projection out to all of the ministries, maybe he should go out and monitor to ensure that what he says is a level of action of the ministries, is lived up to. Certainly if I went out and found 10 for him, that still wouldn't solve the problem.

Hon. Mr. McCague: Mr. Chairman, I would not ask the member to go out and do a lot of research that is more properly done by us. I would simply ask him that if, as he mentioned in his reply to my opening statement, there is a case of it there, it would certainly help us and save us an awful lot of time if he were to at least point out that one instance to us.

Mr. Warner: Mr. Chairman, aside from the problem that was raised by my colleague from Sudbury about the transfer of employees working in one ministry for a while to another one, is it not the case that there are ministries within the government who hire people for less than a year, knowing full well

that there will not be seniority carryover? They can lay them off and rehire them later for another series of months; again, less than a year. I know of at least one ministry, I believe the Ministry of Natural Resources, which does that. Is it not the case that that is still the policy and that there is no way for those employees to get the full benefits of being a member of the Ontario Public Service Employees Union?

Hon. Mr. McCague: Mr. Chairman, yes, that is true. There are many people who are in the employ of MNR who know full well at the beginning of the season that they are being hired for nine months. It's seasonal. There are no misunderstandings. I appreciate the point the member is getting at but there's no doubt about it, that's what happens. Now, that is not a matter of us not putting them on classified staff. It's just a fact that they are needed for nine months and not for longer.

Mr. Warner: Okay. Perhaps then in this review that he is talking about the minister will undertake to reverse that Neanderthal policy. In other parts of Ontario there are perfectly good examples of employers who find it entirely possible to credit part-time employees with part-time portions of the benefits. They take a share of the dental plan, a share of the sick leave, a share of the pension, a share of the seniority. There are other employers who are able to do this, why on earth can't it be done here? I don't understand that.

I would have hoped that when the minister answered my first question with, "Yes, this practice goes on," the second sentence I would have heard would be, "I am going to make sure the practice stops and we are going to institute a better policy." Surely someone who is employed full-time for nine months should have that applied to his seniority and surely he should be entitled then to three quarters of the benefits, the benefit of pension, the benefit of sick leave and so on. I just don't understand why that is not possible.

[12:45]

We live in an age of computers. I can tell you, just for one example, the board of education is able to compute that for its many employees, both teaching and non-teaching. Even if you work 20 per cent of the year, you get 20 per cent of the benefits. As an employee, you pay in your share based on that same formula and you get something back. What is so difficult about that?

Regardless of the policies that have gone on over the past, can you tell us today that as of now you are going to attempt to bring in a more modern, up-to-date policy? Will you do that?

Hon. Mr. McCague: I think the honourable member knows, and I said so in my remarks earlier, the matter of pensions is being looked at. We have specifically asked the pension commission to look at this very item.

The honourable member also knows the regular seasonal employees—and there are a lot of those, especially in the parks—are represented by the Ontario Public Service Employees Union and that is the place where these matters should be settled.

Item 2 agreed to.

Item 3 agreed to.

On item 4, management policy:

Hon. Mr. McCague: The member for Essex South requested an update on zero-base budgeting.

The Ministry of Revenue and the Ministry of the Solicitor General have instituted zero-base budgeting. In addition, a number of ministries—Environment, MTC, and Consumer and Commercial Relations—are examining the process.

Zero-base budgeting does provide a rational basis for establishing funding priorities and in Ontario complements the management by results system now in place throughout the government.

On the other hand, zero-base budgeting is only one of several management techniques that have proven useful in specific situations. The universal application of zero-base budgeting would require all ministries to commit resources without offering in all cases a satisfactory return in terms of improved efficiency. From this viewpoint, the optional use of zero-base budgeting is considered preferable to a comprehensive mandatory implementation.

The issue of financial administrative controls on commissions was raised by the member for Sudbury. I would like to point out the government introduced guidelines for the administration of royal commissions in the manual of administration on July 20, 1978. These guidelines establish a balance between a requirement for efficient expenditure of public funds and the independence of roval commissions. I might add since this policy has been in place for over a year, the staff of the Attorney General and management board are reviewing the guidelines to determine if anv revisions are warranted.

The recommendations of the standing procedural affairs committee: In response to the request from Mr. Mancini for an update of the implementation of the 11 general recom-

mendations, I should mention I provided the chairman of the committee with a progress report a week ago. I think rather than go into that, I will give the honourable member a copy of that response.

Mr. Nixon: Are you leaving that royal commission cost business now?

Hon. Mr. McCague: I could sit down and let you say something.

Mr. Nixon: It seems to be—I wouldn't say inadequate—unsatisfying that the chairman of management board treats that quite as coolly as he did. I said it last week and I say again that I have a lot of confidence in the chairman of management board—this particular one. I don't consider him a flamboyant politician but one in whom his own colleagues would place a good deal of confidence. I do myself. I would like to see him scare the wits out of his colleagues and maybe other people—not around here—in being a very tough, sharp-pencilled person when it comes to some of these costs.

It shocked me yesterday when I saw that the Metropolitan Toronto police commission was hiring a good friend of us all and a former colleague, John Clement, at $750 a day to tell them whether or not they needed short or tall policemen. That's their business. If Godfrey has so much money in his budget that that can be authorized, of course that's his business.

Basically, I believe very strongly that that kind of review should be done at the provincial level because there are other urban areas deeply concerned with it. It is just nuts for Mr. Clement to be paid $750 a day. For one thing they say he has to hire his own secretary. That's just crazy; he has one already.

What he will do is retain a lawyer already in his firm to look at what's going on and to write up the stuff and so on. I have a high regard for John Clement's judgement, but I think that sort of work should be done by the provincial government. We ought to be taking the responsibility for it. Somehow this government has set the tone for these reviews. Nobody lifts an eyebrow when the charge is $750 a day. I see he's already indicating a great interest in what they do in Spain and Thailand or somewhere like that.

I hope that means he's going to write a letter to whoever is there to tell them.

Mr. Warner: You have to be kidding. He's booking the airline tickets.

Mr. Nixon: I have a funny suspicion that that's not going to be sufficient. I'm really a little concerned about it. I don't want to downgrade the importance of the review and the problems with police. Believe me, I think that's the sort of responsibility that should be taken here because it's of concern in Hamilton and Brantford, and in Orangeville, perhaps to somewhat lesser degree.

Mr. Mancini: And in Amherstburg.

Mr. Nixon: We have established a pattern for royal commissions and governmental reviews that is extremely extravagant. I suppose we should be calling to some extent on the good citizenship of our senior lawyers and others who have been having a fine living for many years—in my view, overcharging basically. I think it is a shame for us to feel we have to pay them at those levels to do these important reviews, and I really regret it.

I would say to this minister that he could afford to express some of those views to his colleagues. Maybe he could use some of his undoubted business management to advise various select committees and other projects around here that seem to be out of hand, in my view, as far as their expenses are concerned.

Hon. Mr. McCague: I think the honourable member has chosen to zero in on what is a very difficult problem, and I alluded to it when I made my very short comments. We do have a manual of administration and we do have guidelines for them. The very difficult thing about royal commissions is not to be seen as interfering with the job they have to do. In the opinion of this government, money should not be the guideline which says to what extent they can look into the problem they've been asked to.

Mr. Nixon: That works both ways. John Clement might have done it for $100 a day.

Hon. Mr. McCague: I think it does. The honourable member could probably conduct one of these and would be happy to get $100 a day.

Mr. Warner: You are better off to be a defeated Tory than a successful New Democrat.

Hon. Mr. McCague: A defeated Liberal stands a chance of getting a job around here too.

Mr. Warner: The Tories get all the goodies.

Hon. Mr. McCague: Maybe the honourable member might consider that. We might even up it to $200 a day.

Mr. Nixon: I'm after a job if the electorate will give it to me, not you.

Hon. Mr. McCague: I don't have any say on that, but we would give you one if it were the other way around. I appreciate the

honourable member's kind comments. If he thinks I'm popular with my colleagues, the ministers over here, I'm not.

Mr. Nixon: I hope you're not popular. You shouldn't be.

Hon. Mr. McCague: I'm not. You just ask them individually and they'll tell you. It is very hard to perform the function we are quite capable of performing and still be popular with these gentlemen. However, it is a very fine line and very difficult.

I want to say to the member, he has picked on a good situation. It is difficult to limit the scope of a royal commission with money; but we do have guidelines to say how the commissioners should handle their money.

Mr. Germa: I've been concerned about these royal commissions and the expenditures involved. While I recognize the independence which is sought when the ministry makes the appointment, I am not sure the minister is aware of the expenditures.

Let me tell you who were some of the big spenders in the last provincial auditor's report: Electric power planning commission, $3,192,546; violence in the communications industry—you know what that one was all about—$2,223,326. The commission on the northern environment, $1,476,356.

Mr. Nixon: Ridiculous.

Mr. Germa: In my investigation in the public accounts committee with the commissioner who was heading up the commission on violence in the communications industry, you wouldn't believe what came to light.

After she had issued her report, the commissioner was submitting expense accounts. Even the manual of administration doesn't tell us when the commissioner is finished commissioning. She said, "Well, no one told me I was finished. When they call me up for a TV program and want me to talk about my investigation into the communications industry, I think I'm still a commissioner and I think I'm entitled to submit a per diem rate." I think it was $110 a day. She submitted the bills and the bills were paid.

If the commissioners themselves don't know when they've walked off the edge of the cliff, certainly the manual of administration should tell them in one fashion or another. I would suggest just a simple thing, such as, "When you have completed writing your report, you are no longer a commissioner and consequently no longer eligible for the per diem rates or expenses." I don't see why that is so difficult.

Mr. Mancini: It's when the champagne runs dry.

Mr. Germa: That was one of the areas. As far as I'm concerned, that commissioner might still be submitting accounts to the government—

Mr. Mancini: Champagne parties all over.

Mr. Germa: —because this was months and months after the report had been issued and bills were still coming in and being paid.

Another area of concern was the publication of the report. I'm sure even today there are 10,000 copies of the report on violence in the communications industry still sitting over there on Bay Street. Thousands and thousands of copies were made up and that wasn't really a best seller, that report.

There was evidence of high living, high expense accounts, trips all over Europe.

Mr. Warner: Promoting violence.

Mr. Germa: Maybe the government is at fault here. The communications industry is not in the jurisdiction of the provincial government and there were questions raised at the time that this commission should never have been appointed. But it seemed to be a good political boondoggle at the time—there was high interest in violence in TV, et cetera. The whole system was under scrutiny. I think someone in this government said, "Let's jump on that bandwagon and go for a ride." Well, you went for a ride all right—over $2 million for that boondoggle. And nothing has come out of the report as far as I know, because this government has no jurisdiction in the field.

You have to get a handle on the spending of royal commissioners without inhibiting their independence. We found, for instance, there were people who were not on the commission investigating the northern environment, the Hartt commission. When that aircraft crashed up north and killed a few people, there was at least one person on that aircraft who was not a member of the commission.

I don't know how that person got on the aircraft. Apparently she had been travelling with these commissioners in their inquiry, with negligible status. She had been a person presenting briefs to the commissioner and was apparently in the habit of travelling around with the commission. The manual of administration makes no provision for controlling these kinds of expenditures and these kinds of antics.

On motion by Hon. Mr. Wells, the committee of supply reported certain resolutions.

Motion agreed to.

MOTION

BUSINESS OF THE HOUSE

Hon. Mr. Wells moved that next Thursday night, in considering the two orders of business as announced yesterday, the time between 8 p.m. and 10:15 p.m. be divided equally between the two orders and that the question on the first of these orders with respect to the Lakeshore Hospital report be put at 10:15 p.m.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, before moving adjournment I would like to indicate to the House there will be one change in the business for next week from that which I announced yesterday. On Tuesday afternoon, as the first government order of the day we are going to call the interim supply motion standing in the name of the Treasurer (Mr. F. S. Miller). After that has been debated we will move to the legislative schedule as was announced.

The House adjourned at 1:03 p.m.

APPENDIX

(See page 3893)

ANSWERS TO QUESTIONS ON NOTICE PAPER

MINISTRY ADVERTISING

309. Mr. Grande: Will the ministry provide a list of the amount of funds spent on advertising in non-official-language press and media for each fiscal year since 1975-76? Will the ministry break down the amounts by ministry, program and name of media or press which carried government advertisements and announcements? (Tabled October 16, 1979).

Hon. Mr. Grossman: The answer to the first part of the question is as follows:

Fiscal Year	Ethnic Publications	Ethnic Television	Ethnic Radio
1975-76	$484,100	—	—
1976-77	355,500	—	—
1977-78	348,000	$104,900	$217,200
1978-79	407,000	89,700	193,900
1979 to Aug. 31, 1979—(five months)	167,300	—	60,600

A detailed breakdown of the amount of funds spent on advertising in non-official-language press and media will require a considerable investment of time and personnel resources to obtain a complete report back to 1975-76. The compilation of the data is now in progress and will be ready for presentation on or about November 20, 1979.

MULTICULTURALISM COUNCIL

312. Mr. Grande: Will the ministry responsible outline in specifics the membership of the Ontario Advisory Council on Multiculturalism and Citizenship, given the change in priorities the government sought for that advisory council? Will the ministry also point out the criteria followed in the appointment of members to the advisory council? (Tabled October 16, 1979).

Hon. Mr. Davis: The membership of the reorganized Advisory Council on Multiculturalism and Citizenship has not yet been determined. However, in the very near future we will be announcing the appointment of approximately 15 members who will serve on a rotating basis, and each of whom will bring to the council's deliberations a recognition of and sensitivity to the cultural pluralism of our Ontario society.

This representative cross-section of our population will possess the collective ability to understand and encourage the unique and positive potential of our respective cultural communities, while participating in the development of policies designed to afford to every citizen in Ontario the cultural benefits a pluralistic society stimulates.

CONTENTS

Friday October 26, 1979

25th anniversary of member for Leeds, statement by Mr. Wells 3881

Interest rates, questions of Mr. Davis: Mr. S. Smith, Mr. MacDonald, Mr. Riddell 3881

Acid rain, questions of Mr. Davis: Mr. S. Smith, Mr. Germa 3884

de Havilland Aircraft Company, questions of Mr. Davis: Mr. Cassidy, Mr. di Santo 3886

Interest rates, questions of Mr. Davis: Mr. Cassidy, Mr. Peterson 3886

Public housing, questions of Mr. Davis: Mrs. Campbell, Mr. R. F. Johnston 3888

Education Relations Commission, questions of Miss Stephenson: Mr. Bounsall 3889

Interest rates, questions of Mr. Grossman: Mr. McCaffrey, Mr. Mancini, Mr. Swart 3889

Recruitment of foreign workers, questions of Mr. Davis: Mr. Blundy, Mr. S. Smith 3891

WCB reports, questions of Mr. Davis: Mr. M. Davidson 3892

Sale of crown land, questions of Mr. Auld: Mr. T. P. Reid, Mr. Foulds 3892

Notice of dissatisfaction with answer to oral question, Mr. di Santo 3893

Tabling answers to questions 309 and 312 on notice paper, Mr. Wells 3893

Estimates, Ministry of Intergovernmental Affairs, concluded, Mr. Wells 3893

Estimates, Management Board of Cabinet, continued, Mr. McCague 3899

Business of the House, Mr. Wells 3910

Adjournment 3910

Appendix, answers to questions on notice paper 3911

Ministry advertising, questions of Mr. Grossman: Mr. Grande 3911

Multiculturalism council, questions of Mr. Davis: Mr. Grande 3911

SPEAKERS IN THIS ISSUE

Auld, Hon. J. A. C.; Minister of Natural Resources (Leeds PC)
Blundy, P. (Sarnia L)
Bounsall, E. J. (Windsor-Sandwich NDP)
Bradley, J. (St. Catharines L)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Cunningham, E. (Wentworth North L)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
di Santo, O. (Downsview NDP)
Edighoffer, H.; Chairman (Perth L)
Foulds, J. F. (Port Arthur NDP)
Germa, M. C. (Sudbury NDP)
Gigantes, E. (Carleton East NDP)
Grande, A. (Oakwood NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Isaacs, C. (Wentworth NDP)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
MacDonald, D. C. (York South NDP)
Mackenzie, R. (Hamilton East NDP)
Mancini, R. (Essex South L)
McCaffrey, B. (Armourdale PC)
McCague, Hon. G.; Chairman of Management Board; Chairman of Cabinet (Dufferin-Simcoe PC)
McClellan, R. (Bellwoods NDP)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Peterson, D. (London Centre L)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Riddell, J. K. (Huron-Middlesex L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Warner, D.; Acting Chairman (Scarborough-Ellesmere NDP)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)



No. 94

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Monday, October 29, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

MONDAY, OCTOBER 29, 1979

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

CAREER WEEK

Hon. Mrs. Birch: Mr. Speaker, the members might like to know that today marks the start of Career Week in Ontario, a week in which we will be talking to young people about the career choices open to them.

An hon. member: It won't take you long.

Mr. Warner: Tell them about unemployment while you are at it.

Hon. Mrs. Birch: At the same time, we are encouraging discussions among all sections of the community involved in this very important planning process—educators, business people, labour representatives and counsellors—on issues affecting employment and productivity.

As we all know, choosing a career is one of the most important decisions a young person faces. The Youth Secretariat is sponsoring Career Week to promote awareness of career education and the exchange of information. It has been assisted in this planning process by members of the educational community and the private sector as well as both provincial and federal representatives.

Interjections.

Mr. Speaker: Could we have a little order?

An hon. member: Be quiet, you rowdies over there.

Hon. Mrs. Birch: I thought they were interested in careers.

I understand from my parliamentary assistant, the member for Mississauga North (Mr. Jones), that we have had an excellent response from communities across Ontario. In Peterborough, for example, the Rotary Club has arranged for 40 businessmen to speak to local high school students. Algonquin College in Ottawa has arranged a creative job search, and a downtown career information centre has been set up in North Bay. Many schools in Ontario have planned events for this week. In fact, in my own area of Scarborough I know of 18 schools that have arranged career education activities to take place during this week.

A resources directory, providing sources of career information, bibliographies and program suggestions, has been distributed to boards of education and post-secondary institutions. The Canada Employment and Immigration Commission is making its computer-based career information system, called "Choices," available this week in Sturgeon Falls, Parry Sound, North Bay, Sault Ste. Marie, Sudbury, Kitchener, London and St. Thomas.

I am sure each member is aware of and is participating in some of these events in his home riding. The purpose of Career Week is to show that there is a wealth of information available and a large number of people ready to assist. The opportunity to encourage our young people in their career development is as rewarding to us as it is worth while to them.

CANADA METAL COMPANY LIMITED

Hon. Mr. Parrott: Mr. Speaker, I would like to update the House on the action the ministry has taken to control the lead emission problem at Canada Metal Company Limited.

The details of a notice of intent of a control order were finalized last week and my staff has served it on the company today. A control order had been served on Canada Metal, requiring completion of a pollution abatement program by April 1, 1977. The company met this deadline. The completion of that program initially resulted in a steady improvement in the lead emissions.

When results of last fall's ambient air monitoring were determined, however, it was obvious that problems were still occurring. So the ministry worked out a program of equipment modifications which the company voluntarily agreed to complete. But further ambient air monitoring results indicated the problem was continuing. So we laid four charges under the Environmental Protection Act which will be heard in court on November 30. I have also instructed my staff to prepare a new control order as soon as possible.

This notice of intent has taken some time to complete because I wanted to have a carefully detailed program for the company to follow. It sets out 25 separate steps for future control equipment and procedures, additional backup systems and emission monitoring. It also requires the construction of alarm systems so that operations will be curtailed or shut down if equipment failure occurs.

In addition, there are requirements for a schedule of maintenance procedures for the new control equipment, plus instructions to retain an independent consultant. This consultant will fully evaluate the company's procedures, outline new steps for any unusual emissions and prepare a detailed manual on how to handle the equipment. Many of the problems we have encountered with this company in the past were caused by the company's unsatisfactory maintenance and operation of control equipment previously installed.

With respect to health concerns, the question of blood tests was discussed fairly extensively at a public meeting at the South Riverdale Community Health Centre. Representatives of the Toronto Board of Health, the member for Riverdale (Mr. Renwick), medical experts from the Ministry of Labour and I attended.

It was decided then that if the board and the community organization wished further blood tests for area residents, I would be willing to contact my colleague, the Minister of Health (Mr. Timbrell), for additional funds if they were required for such tests.

Final completion for this new program is scheduled for December 15, 1980, although there are a series of 11 separate deadlines. This is consistent with my previously stated policy that control orders must contain a series of benchmarks so that a company's progress can be accurately measured and action taken before the entire order period has elapsed.

I have clearly instructed my staff that legal actions must be taken if these interim deadlines are not met.

ROYAL AGRICULTURAL WINTER FAIR

Mr. Speaker: The Minister of Agriculture and Food (Mr. Henderson).

Mr. Cunningham: It almost sounds like tile-drainage time.

Hon. Mr. Henderson: Yes.

An hon. member: Wait until the applause has died down.

Mr. Roy: I hear the minister is going to be in Verner on Wednesday.

Mr. Nixon: For a clarification on milk subsidies.

An hon. member: On a hog-calling contest.

Hon. Mr. Henderson: Mr. Speaker, I will try to inform the honourable members of some important events.

I would ask the honourable members to mark November 8 on their calendars—

An hon. member: What is it, the election?

Hon. Mr. Henderson: —which is the opening day of the Royal Agricultural Winter Fair at Toronto's Exhibition Park. This is the largest indoor agricultural show in the world and it offers the public the chance to see a cross-section of agriculture under one roof.

An hon. member: When is the minister going to close the pork barrel?

Hon. Mr. Henderson: The show runs until November 17, and features 27 acres of activities, ranging from livestock competitions to the popular flower show and hundreds of exhibits and displays.

The Royal boasts something for everyone, but one exhibit tells a story that affects all of us. It's called The Protein Factor, a new film produced by my ministry. Most of us know that protein is important, but few of us really know what it is, what it does, or where we get it.

Mr. Breithaupt: Some of us eat it, though.

Hon. Mr. Henderson: The 11-minute colour film clears up misconceptions about this essential element and shows how Ontario researchers are working to find new sources of protein to supplement the world supplies and to ensure that our traditional sources of protein—meat, fish, eggs and dairy products—will be available in the future.

Mr. T. P. Reid: How does your department grow fish?

Hon. Mr. Henderson: Visitors to the Royal can see The Protein Factor any time between 10 a.m. and 10 p.m. in the upper east annex of the Coliseum. The theatre is located across from the youth centre operated by the Junior Farmers' Association of Ontario and representatives of the provincial 4-H clubs.

November 8, opening day, is also Youth Day. That's the day the Royal dedicates to the 4-H clubs.

Mr. T. P. Reid: There won't be any members of the Conservative Party then.

Hon. Mr. Henderson: On Youth Day this year nearly 800 young people will have entries in the 4-H competitions. They'll be showing the livestock and crops they've raised—such as beef steers, pigs, hay, soybeans and corn—and they'll be demonstrating the skills they've learned in judging livestock.

A highlight of the program will be the annual presentation of the Queen's guineas for the champion steer. I'll be making the presentation myself, for both the champion and the reserve champion.

Mr. Kerrio: How is the minister going to show which one wins the prize?

Hon. Mr. Henderson: I know that all the members have heard of the 4-H movement, but I'll bet there are many members who don't realize how large and active the 4-H is in this province. I think the 4-H club is one of the most valuable experiences a youngster can have. The clubs are formed every year for rural young people. A child can start 4-H at the age of 12 and stay in it until the early 20s, learning all the way. I couldn't begin to list all the projects a 4-H member might undertake, but some of them include raising a calf, growing field crops, cooking and sewing. There are clubs that deal with farm safety, outdoor living and farm machinery—just about every aspect of farm life gets covered at one time or another by a 4-H club.

[2:15]

What's really remarkable about these clubs is that they're run almost entirely by volunteer leaders. Some 25,000 young people joined the 4-H clubs last year and they were led by something like 6,500 volunteer leaders. That represents a lot of time and a lot of work freely given.

When you look at the 4-H youngsters and the farmers of today who grew up in the 4-H movement, you can see that all that time and work was well worth the effort. Members of 4-H clubs become leaders themselves and this year some of them are getting some early experience. They are going to be conducting tours of the Royal Winter Fair for city children. These were arranged a few weeks ago through city schools. The schools like the idea so much that they have booked 15 tours a day for every day of the fair.

We're expecting 2,800 schoolchildren for those tours. I hope the members will interest their own children in attending Youth Day at the Royal. It will be an experience they've never before had.

VISITOR

Mr. Speaker: Before we get to oral questions I would like to draw to the attention of all members the presence of a fellow parliamentarian in the Speaker's gallery. We have with us Herr Kurt Mattick, a member of the federal House, the Bundestag, in Germany. Would you please welcome him.

PUBLIC HOUSING

Mrs. Campbell: On a point of privilege, Mr. Speaker. You will recall that on Friday the Premier gave a commitment to this House that his Housing minister (Mr. Bennett) would indeed have a statement in this House today. I wonder if that commitment is to be met.

Hon. Mr. Davis: On that point of order, my recollection is never as good as that of the member for St. George. I don't think I said the Minister of Housing would have a statement. My recollection is, and certainly the intent was, that I expected the Minister of Housing would be here today and would answer the question. I expect that if the member asks him the question he might just be ready to answer it for her.

Mr. Speaker: I have notice from the Minister of Housing that at the appropriate time he would have the answer to a question that was asked previously.

ORAL QUESTIONS

INTEREST RATES

Mr. S. Smith: A question of the Premier: Can the Premier tell the House what position his Treasurer (Mr. F. S. Miller) took with regard to interest rates during the meeting on Friday between the Finance Minister of Canada and the Treasurer of Ontario? Did Ontario take a firm position for or against the high-interest-rate policy of the federal government? What position was taken? How was it put? If no position was taken, why not?

Hon. Mr. Davis: I expect the Treasurer will be here a little later and would be delighted to answer that question for the Leader of the Opposition. Not having been at that meeting, I can only assume that he expressed, as he has in this House and as I have in this House, our concern about the rate of interest. I'm sure they had a very useful discussion. I'm not sure, because I wasn't there as a part of it, exactly what was said, but I think the Treasurer will be here fairly shortly. I'm sure he would be delighted to give the member more specific information.

Mr. S. Smith: By way of supplementary, since the Treasurer is not here and since the head of the government of Ontario is here, would the head of the government of Ontario tell us what position the province of Ontario takes either for or against the federal policy of locking interest rates into the American interest-rate policy? Is he not aware that his Treasurer has already stated publicly that since five of his economists have said they're in favour and three are against, he himself doesn't know what to do?

What, in fact, is the position of the government of Ontario with regard to high interest rates and what was communicated and what will be communicated to the government of Canada in this regard?

Hon. Mr. Davis: Mr. Speaker, quite obviously, I'm sure everybody in this House would like to see lower interest rates. As I tried to explain to the leader of the New Democratic Party when we discussed this at some length on Friday morning, I made it quite clear, I think, on that occasion that it would be impossible for a provincial jurisdiction to opt for a separate interest rate. That just isn't practically or technically feasible.

Certainly we are concerned about the rates of interest, as I explained to the leader of the New Democratic Party who raised it with respect to the farm community, if memory serves me correctly. I went on to point out our concern extended as well to the small business community, the large business community, individuals and everybody involved in the higher rate of interest.

I should also point out to the Leader of the Opposition, if he is saying the interest rate should not be tied to the American rate, he has to assess some of the ramifications for himself. He has to assess whether or not he wishes to see a lower Canadian dollar and the inflationary impact of that in terms of exports into this country, which account for a fair amount of consumer spending. He has to also determine, I would assume, being a non-economist in this field, whether or not investment would continue and whether this would have an effect on our borrowing capacity. There are many things to consider.

I am sure this is the kind of advice the Treasurer has been getting from those who would say there is no other way but to tie it to the American rate of interest and from those who would argue that perhaps we can have some flexibility. Of course, the government of Canada had determined in the national interest that it will accept the rate recommended by the Bank of Canada.

If the Leader of the Opposition wants to ask the Treasurer of the province of Ontario, who is now here, about some of the more specific dialogue on Friday, I am sure he would be delighted to give him his impressions. Perhaps, as a result of that, he may be somewhat more knowledgeable with respect to the problem arising from higher interest rates and what might be done.

An hon. member: That's no answer.

Mr. Cassidy: Supplementary: Has the government communicated to the federal government that the statement by the governor of the Bank of Canada, Mr. Bouey, and the supporting statement by Prime Minister Joe Clark, that the higher interest rates are needed in order to curb overheating in the Canadian economy, do not apply here in the province of Ontario, and that when unemployment is running at a rate of about seven per cent of our work force in Ontario, there is clearly no indication at all that there is a need for higher interest rates in order to zap so-called overheating?

Hon. Mr. Davis: I didn't read it in great detail, and I am always reluctant to read excerpts of what people say on important issues of this kind because I don't think one really gets the whole argument. Incidentally, I think the unemployment rate is 6.4 per cent, not seven, but that is just the rough recollection I have. In that my recollection is that it is lower than the member says, I would suspect he sort of added to his because it sounds better from his standpoint at seven than 6.4.

An hon. member: He got it from the federal Tory candidates.

Mr. Swart: I will tell you that 6.4 doesn't sound very good.

Hon. Mr. Davis: I am not happy with 6.4. I am just saying to the leader of the New Democratic Party why doesn't he give the accurate figure? If it is 6.4, use 6.4. If he is going to round it off, round it off at six, not seven. The member always likes to take the very sad approach to these issues. He will never learn.

Mr. Warner: You have really wound up your elastic band.

Hon. Mr. Davis: I am not an economist. One can argue whether or not the economy needs the heat taken out.

Mr. Warner: The economy needs you taken out.

Hon. Mr. Davis: From our perspective, we want to see more economic growth, but I would say to the leader of the New Democratic Party that we are also concerned about inflation. His people aren't, perhaps, but we are.

Interjections.

Mr. S. Smith: Inasmuch as the Premier has in his rambling way presented both sides of the interest-rate issue rather well, I may say, but inasmuch as there was a time when the opinion of Ontario was sought in the federal-provincial councils of this land and when we had a spokesman who would say what Ontario's opinion was, may I ask the Treasurer, now that he is here, whether he took a position on behalf of Ontario against the present

high interest rate policy or whether he took a position in favour of it? Did he finally resolve the matter in his own mind and show some position at the federal-provincial meeting he had with Mr. Crosbie?

Hon. F. S. Miller: It should be understood that the meeting wasn't called for interest rates. I told the members I would be asking certain questions. It was called long before this issue came up and was to discuss in the main the first ministers' meeting.

By the way, I have the disease the leader of the third party (Mr. Cassidy) had on Thursday morning, as I recall. I have lost my voice.

An hon. member: You weren't in Libya.

Hon. F. S. Miller: The fact remains I happened to have the good luck to be in Ottawa the morning Mr. Bouey's statement was printed in full in the papers and I read it carefully.

An hon. member: Is that good luck?

Hon. F. S. Miller: I talked to the Minister of Finance and I have to point out we are not asked Ontario's position on monetary matters.

Mr. S. Smith: What did you tell him?

Hon. F. S. Miller: Monetary matters have always been a matter of federal concern, it's as simple as that. One of the great advantages of the British system of government is when I give advice to one of my colleagues in Ottawa, I am allowed to do it privately. I did just that.

Mr. S. Smith: If I may have a final supplementary, Mr. Speaker: Can the Treasurer of Ontario tell publicly what he said to his colleague, the Minister of Finance, in private and state whether Ontario favours or does not favour the federal policy which has put interest rates up in lockstep with the American situation? Can he take a stand on one side or the other, so the people of Ontario will know what he is saying on our behalf when matters of such prime importance are being considered?

Hon. F. S. Miller: The term "in lockstep" is not quite accurate, as the honourable member knows. The last time the American rate went up one per cent, the Canadian rate went up three quarters of a per cent.

Interjections.

Hon. F. S. Miller: The fact remains, I asked for and understood all of the details of accepting it, such as the pressures of the International Monetary Fund, the drain on the Canadian dollar, and the effect immediately on inflation for average consumers of this province, which would come about through a lower Canadian dollar. All those things I patiently listened to and I have to tell the honourable member, if this were an issue upon which there was absolutely only one side, life would be a lot simpler.

Mr. S. Smith: Of course it would, but there are two sides and you are the Treasurer and you are not paid to be confused. You're not prepared to take either one.

Hon. F. S. Miller: The honourable member knows full well there are two sides. One has to assess carefully whether or not the problems faced by a lower dollar, which would be the one result of inflation, are greater than the problems caused by the high interest rates which the federal government has chosen as what they say is their only course of action.

I have to be concerned about the effects on the Ontario consumer. That's my major job. Ontario has taken a number of steps this year to help small business, such as the Employment Development Fund where interest-rate subsidies or discounts are given to encourage investment.

Mr. S. Smith: This is not a response.

Hon. F. S. Miller: I want to tell the honourable member what we have done.

Mr. S. Smith: What is your position on one side or the other? That was the question.

Hon. Mr. Davis: We have taken on all sides on all issues and it changes from day to day, hour by hour.

Hon. F. S. Miller: We've taken a whole series of steps for the tourist industry, in terms of interest subsidy, and for the industrial worker, in terms of interest subsidy because we believed it was necessary to encourage investment here.

Hon. Mr. Davis: Minute by minute.

Mr. Cassidy: Mr. Speaker, since the Treasurer seems to be quoted as saying he is endorsing, and the government is endorsing, the position taken by the federal government in raising interest rates, will the Treasurer table for this House the material prepared within the Treasury department about the costs in terms of jobs in Ontario of the recent increase in interest rates and the cost of the alternative policies, since he says they would be less favourable?

Hon. F. S. Miller: The answer to that at the present time would be no. I would be glad to share any information I get. I would like to refer to a speech I gave recently where I said some estimates show the recent increases in the bank rate since January 1978 could lower the real gross national product

in Canada by 1.25 per cent. That to me is the best measure we currently have of the effect of the interest rates upon the economy. They are dampening the economy, obviously.

Bear in mind that is exactly the major reason for the US increase in rates.

Mr. S. Smith: Are you in favour of this?

Hon. F. S. Miller: One of the things that must be understood is that one of the jobs all governments have in this country is—

Mr. Bradley: Is to give answers.

Hon. F. S. Miller: —not to bring in conflicting programs. If the federal government is trying its best to bring our monetary problems under control, this province has some responsibility to see it does not contradict them.

Mr. S. Smith: Do you agree with them? At least Darcy knew where he stood on these issues. He was the second most powerful man in the country in finance.

TEACHER-BOARD DISPUTES

Mr. S. Smith: A question for the Premier: If I may have the Premier's attention for a moment, I would like to direct a second question to him.

Hon. Mr. Davis: The honourable member has my undivided attention.

Mr. S. Smith: I thank the Premier. That's certainly worth a great deal. That's worth a great deal indeed, I am sure.

[2:30]

Now the North York secondary school teachers have today begun a work-to-rule campaign which the Premier knows is legally defined as a strike in Ontario, is the Minister of Education (Miss Stephenson), or the Premier for that matter, prepared to introduce some legislation to bring about compulsory arbitration in this dispute so the students in the 49 schools in North York will not be deprived of the extra help they require after class and, of course, their after-school activities?

Hon. Mr. Davis: Mr. Speaker, I notice the member for Brant-Oxford-Norfolk-Haldimand and wherever isn't applauding too vigorously.

Mr. Nixon: I am.

Hon. Mr. Davis: Listen, you are the author of Bill 100.

An hon. member: Are we going to get an answer from you?

Interjections.

Hon. Mr. Davis: You people are all too young. You forget.

Mr. Speaker: Order. If the Premier would address his remarks to the chair we might get along a lot more expeditiously.

Hon. Mr. Davis: Mr. Speaker, I certainly will address my remarks to you, sir, and to you, sir, I will not recall that historic speech in Peterborough of the former member and what he said on the subject.

Mr. Speaker, through you, sir, the government is not contemplating legislation at this time. I should explain to the Leader of the Opposition that if he goes back into history, part of the rationale for Bill 100 where the initial concept, seriously, was suggested by the member opposite and other members of his party, was to come to grips with the very difficult problem of work to rule, withdrawal of services, all of those things which by law prior to Bill 100 were legal. I am not saying they were good or bad. I don't think that's the judgement at this precise moment, but one of the reasons—and it was supported by members on all sides of the House—for Bill 100 was to bring a greater degree of stability into the educational system.

Memories are very short but factually, historically, any way you wish to describe it, while I am not happy with the situation in North York, nor was I happy with the situation in Peel, in fact in terms of numbers of disputes and difficulties within the school system, the numbers of those boards where they were working to rule, where there was a threat of, and in some cases a withdrawal of services, they were far in excess than has been the case since Bill 100, and with great respect—well, that overdoes it.

Through you, Mr. Speaker, to the Leader of the Opposition, nothing as simplistic as compulsory arbitration is going to solve the question of work to rule. Compulsory arbitration, yes, could resolve the monetary issue, if you had it built into legislation, but I think it would be very difficult to resolve by way of compulsory arbitration the question of work to rule, the question of withdrawal of services, many of these matters.

I would say to the Leader of the Opposition no, we do not contemplate legislation at this time. Bill 100 will be up for public review. Of course, it is interesting to note the new policy decision of the Liberal Party of Ontario—which is a change, as have been so many of the party's other significant policy pronouncements—has altered from when the Liberals supported this bill in the House and when the former leader of the Liberal Party was the first one that I recall, in terms of a position of responsibility, saying the best way to come to grips with this issue was to give the teachers the right to strike.

Mr. S. Smith: By way of supplementary, I find it parenthetically interesting that the rank and file of the Conservative Party seems to feel more the way the present Liberal leader does than the way the present Conservative leader does on that issue.

An hon. member: You don't have any rank and file.

Interjections.

Mr. Speaker: Order. Could we have the supplementary?

Mr. S. Smith: Yes, I would very much like to let you have the supplementary, Mr. Speaker. Now that we have had a very interesting dissertation on the history of Bill 100 and so on, is the Premier none the less aware that today, as we are sitting here, according to a spokesman for the teachers in North York there will be children very seriously affected, namely those children who need some help after class so they can have clarification, some additional assistance so they will understand the homework they have to do and so they will catch up on the topics they have difficulty with?

Is the Premier going to sit and wait for all these children to be adversely affected, while we go through the whole business of a possible long work to rule, maybe a strike and eventually some form of arbitration?

Why doesn't he basically see to it that this strike, which is what it is called in the present bill, comes to an end and that arbitration be substituted so that an intelligent resolution of the problems and the outstanding differences can be brought about without taking it out of the hides of the children themselves?

Hon. Mr. Davis: I think I can say I speak with some greater personal knowledge of these matters than does the Leader of the Opposition, in that we have had situations in my own home community where teachers did work to rule at the secondary level and where I had some people in our family very directly involved. He is not going to get me on the side of saying it is a good thing. I regret it. I am sure the board regrets it and the teachers regret it.

I would only point out to the Leader of the Opposition his simplistic answers to so many complex problems at some point in time—in fact, I think this is probably happening at the moment, as it is on oil and gas—are leading to a very real credibility gap in terms of his performance as leader of that party.

Mr. S. Smith: You hope.

Mr. Kerrio: That's what you call a cop-out.

Mr. Conway: Supplementary: Since the Premier mentioned in his first response the matter of a public review of Bill 100, and remembering that the Minister of Education some 10 days ago indicated to this House that the review would be brought forward within days—I think at that time she indicated we could have expected it last Tuesday—can the Premier take this opportunity to indicate once again what the government's view is as to exactly when that review will come forward, where it will come forward and how it will be proceeded with?

Hon. Mr. Davis: I am delighted the honourable member takes a more rational approach to this than do one or two members of his party. It is a very intelligent, logical question and I have some information to share with him which I hope he will pass on to some of his colleagues. The answer to that is the minister expects to make a statement tomorrow. That's all to date.

Where? I expect the statement will be made here in the House.

Mr. Warner: That will be novel.

Hon. Mr. Davis: Content? I think the member should wait till the minister makes the statement.

HEALTH SERVICE CHARGES

Mr. Cassidy: Having recovered my voice, I have a question for the Minister of Health.

Mr. Havrot: What a pity!

Mr. Cassidy: It is because you fellows are so unspeakable. In view of his assurances that his ministry and the Ontario Medical Association have agreed that users of medical services will be informed in advance when an opted-out doctor intends to double-bill a patient and that the patient will not have to pay the extra fee if not informed in advance, could the Minister of Health say when and how doctors have been informed of this agreement in principle?

Hon. Mr. Timbrell: The profession was widely circulated with copies of the statement I made in this House in March. I know as well that it has been the subject of discussion at a variety of district meetings of the medical association, explaining how the Zenith line operates and how the service of the medical association operates and assisting in those cases where some patients have found they need a spokesperson or a mediation process. Of course, at any of the meetings I have attended around the province—and they are considerable in number—it has been discussed.

Mr. Cassidy: Supplementary: Since the minister said explicitly in the House on March 29 that the OMA had agreed that if

the patient is not so informed the patient should not be obliged to pay that charge, but since this agreement has not been transmitted to doctors, either in Dr. Vail's letter in April or by other means coming from the OMA that we are aware of, can the minister explain how doctors who are now double-billing patients without informing them in advance can be expected to hold them to an agreement to which they have never been made party?

Hon. Mr. Timbrell: First of all, the honourable member insists on using the expression "double-billing," which suggests that if the charge on the OHIP schedule is $5 they are being charged $10.

Mr. Swart: Stop playing word games.

Hon. Mr. Timbrell: In that kind of a case, then various other regulations under the Health Disciplines Act will come into force as well. The membership of the profession has been widely circulated.

I would remind the member that since I made that statement in this place on March 29, the health plan has paid well over 30 million claims for services.

Mr. Swart: That's irrelevant.

Hon. Mr. Timbrell: It's not irrelevant. It's quite relevant to the subject at hand. The numbers of cases where there have been misunderstandings by comparison have been relatively few. The member refuses either to recognize the service or use it, but in those cases where the service has been used, it's been very helpful in resolving any such differences.

Mr. Conway: Just so we can understand, I'd like a direct yes or no answer to this, if possible. Can the minister indicate whether or not—subsequent to his announcement of the program in the House this spring—he or his officials communicated by way of a written directive to all practising physicians in this province the exact nature and expectation of the program? Did he ever initiate a direct written communication with every practising physician in this province explaining exactly how he imagined his new scheme to work?

Hon. Mr. Timbrell: Mr. Speaker, the communication was put in the hands of the Ontario Medical Association to their members. Through that vehicle—and of course the public media, as well as the extensive meetings I have had with various groups—that has been communicated. I doubt the member would find any practising, breathing physician in Ontario today who doesn't understand the terms of that March statement.

Mr. M. N. Davison: Mr. Speaker, in view of the minister's statement in March and in view of his answers in the House to my leader on the other question, what action will the minister take in the case of one constituent, Mr. Swarn Lakhian, who was extra-billed without advance knowledge by Dr. Paprica—an anaesthetist in Burlington—who actually claimed that a physician does not have any responsibility to notify a patient ahead of his service if he is going to be extra-billed? What will the minister personally do to get the Collectrite collection agency off the back of my constituent, Mr. Lakhian, for that bill?

Hon. Mr. Timbrell: Mr. Speaker, I will do what his member obviously didn't do: that is, direct him to the medical association service—which I'm sure will resolve the problem.

Mr. Cooke: Why don't you accept your responsibility?

Mr. Cassidy: Mr. Speaker, in view of the fact the doctor just mentioned by my colleague from Hamilton Mountain and other doctors are telling us it is not mandatory to take away the extra billing because of failure to inform in advance, and that they have not been informed by the OMA they must; and since the OMA is telling us this is a matter between doctor and patient—that is, they're taking a position which clearly contradicts the mutually-held principles which the minister announced with such pride in the House in March—in other words, since the OMA is failing to uphold the agreement, will the minister now introduce changes to the regulations under the Health Disciplines Act in order to require that if a patient is not informed in advance that patient cannot be extra-billed by a doctor?

Hon. Mr. Timbrell: Mr. Speaker, I find it odd for the Leader of the Opposition to be purporting to—

Mr. S. Smith: Oh no; leader of the third party.

Hon. Mr. Timbrell: Oh, sorry. I didn't realize the member was that touchy about it. I can understand though. I can appreciate his sensitivity.

I find it interesting the member for Ottawa Centre would purport to quote the OMA when they wrote to him—I understand it was in April—drawing to his attention the service they have made available, the Zenith line, and the fact they will, through the St. George Street office or through their district office, intervene in individual cases. He's never answered that, let alone used the service, let alone directed any of his constituents towards it. Then he stands here and

takes individual cases, which on their own are important cases, and tries to paint a picture of the total system that is totally inaccurate.

Dealing with the question of the regulation, that would be a simple way to do it certainly. Perhaps for 24 hours it would look good as a headline. In fact though the procedures involved with having to file a complaint with the complaints committee of the college and then perhaps have a further hearing before the disciplinary committee would be a deterrent to the individual patient.

The service offered by the medical association is direct, immediate and can solve problems. Why doesn't he use it?

Mr. Breaugh: I've used it.

[2:45]

ELDORADO NUCLEAR LIMITED

Mr. Cassidy: I have a question, Mr. Speaker, for the Minister of Industry and Tourism.

Given that Eldorado Nuclear, engaged in the highly dangerous field of uranium processing, is one of the crown corporations on the hit list that Sinclair Stevens announced the other day for privatization, does the Ontario government support or oppose the sale of Eldorado Nuclear to the private sector; and if Eldorado is sold what guarantee is Ontario seeking in order to protect jobs in Ontario and to protect the safety of workers and to protect the public health?

Hon. Mr. Grossman: I think the Premier and this government are well on record on those items, saying that in the event the federal government goes through with those sales, then provided they were made to Canadians and that sufficient safeguards were in place to ensure that they were purchased by people with the same kinds of concerns that the current owners have—i.e., the people of Canada—for items such as safety; and that the governments were prepared, in my point of view, to give it the same kind of support that they have given Eldorado, de Havilland and others in periods of difficult times, that under those circumstances sale to the private sector would not affect the workers, the safety elements or any other aspect of the firm's operation whatsoever. Under those circumstances, a sale to the private sector would be supportable.

Mr. Cassidy: A supplementary, Mr. Speaker: has the government then communicated to the federal government that Ontario does not wish Eldorado to be sold to foreign owners, in view of the fact that two of the potential purchasers that have been mentioned are Allied Chemical in the US, a company which has been fined $13 million for ketone pollution, and Kerr-McGee, which has been fined $10.5 million for contaminating with nuclear substances one of its workers?

Has the government communicated that this government doesn't believe that Eldorado should be sold to American or other foreign interests, and what other conditions has this government communicated surrounding the sale of Eldorado Nuclear?

Hon. Mr. Grossman: First, I can assure the member that we have most directly and clearly, publicly and privately, communicated with the federal government that those sales should only be made to Canadian owners.

Second, having played this rumour game with the member before, may I suggest, in order to save us all a lot of time, that if he will send me the information he has with regard to prospective purchasers, none of which we have heard of—we haven't heard any of these rumours—and if he will indicate the source for those rumours so we can assess the validity of them, then I will be more than pleased to take them up with the federal government, because I know he would want me to do that based on those responsible sources.

Mr. Nixon: Since the company under consideration does the fuel processing for Ontario Hydro and for Candu reactors in general, would it not be reasonable for the government to consider themselves in the market to buy that federal crown corporation? We would have the greatest use of it, it would fit in with the Hydro program and the mining facilities that are already in this province.

Hon. Mr. Grossman: It would be quite premature to go through any of those considerations. There is no imminency of any sale that would be adverse to our best interests. If I saw any sale which was going to occur that was adverse to our best interests I would certainly take all sorts of alternatives and proposals to my colleagues.

Mr. Wildman: Can the minister indicate to us how he thinks he is going to have any influence over the federal government's decision on Eldorado, and whether or not its sale to the private sector will ensure safety, when this government had almost no influence on the location of the new Eldorado plant in southern Ontario as opposed to the north and was not consulted on whether or not the waste should be exported back into the north for us to dump in the north, rather than having the jobs? We get the waste, they

get the jobs in the south and those guys did absolutely nothing.

Hon. Mr. Grossman: I am pleased to have the member at least on record indicating that we had nothing to do with the ultimate location, so that he can't go back into the north accusing this government of having made sure that it didn't go into the north. I'm glad he got that on the record.

Second, as he well knows, my colleague in the Ministry of the Environment is going through a very careful, long-term process with the support of people in various localities throughout this province—and this is the case throughout the nation—with regard to the ultimate disposal of that waste.

It is, as members well know, totally inaccurate to set up that benefit-versus-waste equation that the member proposes to set up.

PUBLIC HOUSING

Hon. Mr. Bennett: Mr. Speaker, the member for St. George last Friday asked the Premier for the results of a meeting I happened to have with the mayor of Toronto and the chairman of the region, along with members of the social planning committee and representatives from the co-op federation.

Basically, for some period of time the Minister of Housing has been conducting meetings—that is, as far as the staff is concerned—to try to resolve, along with the members of the metropolitan organizations, some of the problems outstanding in relationship to public housing, whether the public housing is owned by Ontario Housing Corporation or whether it's a rental agreement with the non-profit, or co-op, or the private non-profit sector.

The three issues we have been trying to deal with are the long-term results and, first, who is going to manage the public housing portfolio collectively in Metropolitan Toronto; second, to reduce the conflict there appears to be in the criteria established by various forms of administration as to who is eligible for public housing; and third, and very important, that we do not find ourselves ultimately over-building in this particular area, which we are now experiencing in some locales in the Metropolitan Toronto region.

We have had these ongoing discussions. I indicated to the chairman and to the mayor and to members of council who were present that the government would continue with the ad hoc subsidization of some 8,600 pre-1976 senior citizen units that were built in this community and which fell under no specific agreement of cost-sharing by the province of Ontario, as far as the rent supplement or the 42.5 per cent deficit are concerned.

I indicated to the chairman and to those present that we would continue with our ad hoc grant, as put forward in the last three years, of something better than $3 million to meet a 42.5 per cent deficit factor that will result from those 8,600 units and I indicated clearly it would be on a one-year basis.

Second, the metropolitan area asked us if they could convert their limited-dividend housing portfolio into a cost-sharing program under a rent supplement basis. That would include both seniors and some families they presently have. At that time it was indicated we were prepared to pick up roughly $600,000 in special grants, as our 42.5 per cent of the cost factor shared with the federal government and with the metropolitan council itself.

The other area which I am very much aware of and which the member for Scarborough West (Mr. R. F. Johnston) raised a few days ago is the obligation we have as a provincial government in our agreements with the federal government and the cost-sharing in relationship to non-profit housing and co-op housing.

I am as much aware of what the agreement says as anyone in this House, I would think. Clearly, we have an understanding from municipalities, not only Metropolitan Toronto but indeed the municipalities across this province, that as far as non-profits and co-ops are concerned in the cost-sharing, the feds would pick up 50 per cent of the shortfall and the province would pick up 50 per cent, of which 7.5 per cent would be shared with the local municipality.

On 13 or 14 projects Metropolitan Toronto made an agreement with this province five years ago which said they did not want to obligate themselves into a long-term position. They would go on a five-year basis. The five years on those cost-sharings run out on the same agreement as all other municipalities for the period of time the mortgages are outstanding.

I said very clearly to the co-op representatives and to the mayor and others who were present that we know our obligation. There obviously is no fear because the province is committed to 50 per cent of the cost-sharing, regardless of whether Metropolitan Toronto shares with us or not. The fact remains the co-ops and the non-profits will be in no worse situation than they presently find themselves at this time.

Mr. Speaker, we concluded the meeting and one of the reasons I made no report to this House was that we have ongoing dis-

cussions with the metropolitan social services committee, trying to find some final solution to these very troublesome policies.

It could very well be we will find a position where we have one housing authority that will answer for all the portfolios in this area and we hope we might succeed in finding that position in a relatively short period of time. If we can accomplish it in the next 60 days, all well and good. If not, obviously we will have to look for further time. But in the meantime we have assured Metropolitan Toronto and the co-ops and the non-profits that their position is no better and no worse than it has been for the last number of years.

Mr. Speaker: I would like to remind the Minister of Housing that the standing order is quite explicit. If he has a lengthy, detailed answer in response to a question given earlier it should be done as a ministerial statement. I'm adding four minutes to the question period.

An hon. member: That's a penalty shot.

Mrs. Campbell: Supplementary: I take it then, so far as the problems of co-ops are concerned at this time, whatever the deliberations of the other matters may be they are fully protected in their funding for both rent supplements and the grants in reduction beyond December 31. Could I know for how long this government will continue to keep them in that position?

Hon. Mr. Bennett: I thought my remarks and my answer were very explicit. As far as the agreements go between the province of Ontario and the federal government, it is an ongoing commitment by our government for the duration of the period of time of the mortgage. That was put very clearly and very distinctly. The only portion that's under discussion or debate at this time is whether Metro is going to continue to pick up the 7.5 per cent of the shortfall, as it has been doing for the last five years.

Mrs. Campbell: And the minister knows their answer.

Hon. Mr. Bennett: We have indicated very clearly to representatives of the co-ops that we know our obligation and we'll continue to honour it, regardless of what Metropolitan Toronto happens to do.

WCB REPORTS

Hon. Mr. Timbrell: On Friday the member for Cambridge (Mr. M. Davidson) asked the Premier about some statements attributed to a Dr. Jack Richmond in a September 20 article in the Hamilton Spectator.

The article which, in part, concerned employers obtaining information about employees from their family physicians, quoted Dr. Richmond as saying, "Pressure has to be put on family physicians to release sufficient information to a company."

The College of Physicians and Surgeons is the body having jurisdiction to investigate and to deal with allegations of any act of professional misconduct. It is for the discipline committee of the college to determine whether an act of professional misconduct has been committed in any case.

I will convey the matter raised by the honourable member directly to the College of Physicians and Surgeons for its immediate consideration.

Mr. M. Davidson: Supplementary: When the minister is conveying this to the College of Physicians and Surgeons, will he point out to them quite clearly the statement that has been made in the article? Will he ask them whether or not, in their view, Dr. Richmond has violated the Health Disciplines Act?

Hon. Mr. Timbrell: That's the point. The disciplines committee has the authority to make investigations to see if there have been infractions of a misconduct nature of the Health Disciplines Act. That's exactly what I'll be asking them to do.

Mr. McClellan: Supplementary: May I ask the Minister of Health if he will discuss with the Minister of Labour (Mr. Elgie) if he would take into account the fact that Dr. Richmond, I am advised by a representative of the OCAW, was the physician employed by the BP refinery? I want to ask the minister whether he will investigate himself or with the Minister of Labour the extent to which this doctor has already been engaged in sabotaging workmen's compensation claims, as he was advising people to do at that meeting, and if he or the Minister of Labour would report back to the House on that matter?

Hon. Mr. Timbrell: It is my understanding that that aspect of the newspaper report and the comments attributed to the physician in question are being looked into by the Minister of Labour and the Ministry of Labour. The matters, as they relate to the Health Disciplines Act and any possible professional misconduct, are those about which I will write to the College of Physicians and Surgeons.

COURT BACKLOGS

Mrs. Campbell: My question is to the Attorney General. Has the Attorney General

now had an opportunity to review conditions in the provincial courts in Hamilton, characterized by His Honour Judge Bennett as overbooked almost to the point of absurdity? What steps is the minister going to take to fulfil the commitment made in 1977 to try to overcome the backlog in those courts?

Hon. Mr. McMurtry: I am not familiar with the comment that has been referred to by the honourable member. I met recently with the crown attorney's staff in Hamilton provincial courts. I assume we're talking about the provincial criminal courts.

[3:00]

Mrs. Campbell: That's what I said.

Hon. Mr. McMurtry: I have a meeting scheduled with the chief judge of the provincial court to see what solutions may be appropriate in the circumstances. In responding to the question, I want to make it clear I don't necessarily agree with the comment made by the member. I'd like to see the context of that statement.

There are obviously a number of problems associated with the scheduling of cases, some of which are related to unavailability of defence counsel, we realize. Having said that, and without going into a great deal of detail about the problem, which is many-sided, I want to assure the honourable member it is a matter of continuing concern to the ministry. We'll probably have an opportunity during estimates, which commence on Thursday, to go into the matter in greater detail.

Mrs. Campbell: Supplementary: Would the Attorney General of this province not find it intolerable, in the circumstance which is reported in the Spectator—of last Thursday, I believe, I don't have the date on my copy —where a case was started, a three-day trial, and it had to be rescheduled until May. His honour is alleged to have said: "There's one thing I didn't check, the year; I just assumed it was 1980."

Would that not seem to the Attorney General to be an intolerable situation, particularly when there was another case started in March which has also been put over to May 14, hopefully 1980?

Hon. Mr. McMurtry: Certainly I regard the length of some of these adjournments unacceptable.

Mrs. Campbell: What is the minister going to do about it?

Hon. Mr. McMurtry: I've already indicated, in part, Mr. Speaker.

GLANBROOK LANDFILL SITE

Mr. Isaacs: I have a question of the Minister of the Environment. Is the minister aware of the contents of the Environmental Assessment Board report on the proposed Glanbrook landfill site, which was delivered by mail to certain people on Saturday despite the minister's assurance in resources committee last week that it would be delivered to all parties at the same time? Can the minister assure us the many experts and thousands of citizens who object to the environmental board's conclusions will be given an opportunity to appeal?

Hon. Mr. Parrott: That report was put in the mail at the same time to all parties. If Her Majesty's service chose to see it was delivered to some earlier than others, I guess the member had better check with someone else. I think the member is absolutely inaccurate to suggest it was delivered by design to some earlier than others. It was not.

As to whether I'm aware of that report, it was only issued on Friday. It was put in the mail on Friday. Some people received their copies Saturday by rural mail. I suspect the member received his this morning. It was mailed at the same time. I received mine this morning. That's an independent board over which I have no jurisdiction. I'll be looking at that report along with the member, and we'll think about it then.

Mr. Isaacs: Supplementary: The minister has not addressed the second part of my question: Given that the board is recommending an almost complete go-ahead on what the region wanted; and given that in a letter of last April to the Premier (Mr. Davis), Dr. Chant, environmental expert and chairman of the Premier's steering committee on environmental impact assessment, said approval, if it is granted, should be for a period of no more than five or six years and the Environmental Assessment Board hasn't dealt with that; can the minister tell us how he intends to deal with these conflicting opinions? Can we be assured those who object will be given an opportunity to appeal the assessment board's report?

Hon. Mr. Parrott: I guess I made a bad assumption. I thought perhaps the member opposite understood the process. Obviously I am wrong. Surely the member recognizes those recommendations go to the director. He then puts the conditions on whatever certificate goes out, if indeed it is issued. There is no compulsion that he must issue a certificate. Those recommendations were made to him. He will put the conditions on a certificate if he decides to issue one. Sub-

sequent to that, of course, it is possible to have a review by the minister.

Mr. Isaacs: Involving all parties?

Hon. Mr. Parrott: Until that time it is up to the director to make a decision; I am certainly not going to comment on what might or might not be his final decision.

Mr. Warner: You are avoiding the question.

Hon. Mr. Parrott: I am not avoiding the question. Try to understand the system.

Mr. Cunningham: Would the minister be prepared to comment on rumours to the effect that this is not the original decision but in fact a decision was reached some time ago and that decision was put to the government and it was referred to as inadequate; this is, in fact, a redrafting of some other decision?

Hon. Mr. Parrott: Again that is just not correct, I am sorry. There was an OMB hearing on it, where a decision was reached on the zoning. Then came an environmental assessment under the Environmental Protection Act with recommendations to the director of approvals, Ministry of the Environment. There are different hearings, as we all know; it is not a rehash of the previous decision.

CHILD ABUSE

Mr. O'Neil: I would like to direct a question to the Minister of Community and Social Services in regard to the procedure used in placing names of individuals or agencies on the child abuse register maintained by his ministry.

In particular, I am referring to a case involving the owners and operators of Wingfield Home who come under the jurisdiction of the Hastings County Children's Aid Society and who, after having been cleared of an allegation of child abuse by the Kingston area office of the children's services division, later received notification from the director of child welfare in the province that the society was now of the opinion that a reportable abuse had occurred, and as a result the name of the operator and the home would be placed on the child abuse register.

My question is this: In the light of the fact that no further investigation was done between the time the home was cleared of the charge and the receipt of the letter stating the opposite, can the minister explain or justify on what basis such action could be taken by his officials, especially when one considers what a detrimental effect such action will have on the operation of Wingfield Home?

Hon. Mr. Norton: As I assume the honourable member knows, there is a responsibility placed upon children's aid societies under the legislative amendments that were passed, and in fact proclaimed in June of this year, with respect to reporting cases of child abuse. It is not for the employees of my ministry, albeit employees of a regional or area office, to supersede that responsibility.

If a society has an opinion, whether the member or I agree is not particularly relevant to their perception. If they are of the belief, following their investigation, that a reportable case of child abuse can be made then it is up to them to report it. It is my understanding that is what happened in the particular case to which the member refers.

I would advise the member that there is a procedure, of which the individuals involved have been advised, that permits them to request an expungement hearing, to have their name removed from the register following such hearing if it is established it was an unjustified reporting. That is entirely consistent with the amendments passed by this Legislature.

If the member is suggesting that in every case where an individual feels the society may have acted precipitously I or my ministry should intervene and say, "You can't report that case," I don't believe that to be so. If the society feels there has been abuse it is its responsibility to report it, and then there are procedures to protect individuals who might have been wrongfully reported.

Mr. O'Neil: Supplementary: I don't believe that is what I inferred. In a case like this, where somebody accused of something is cleared and then the ministry people step in and accuse him again and label him with this, I wonder if the minister is also aware that despite the supposed confidentiality of the child abuse register notification went out to placing agencies, and in particular to an official of the Catholic Children's Aid Society of Metro Toronto? This official was contacted and informed in less than pleasant terms of the decision on Wingfield Home.

Does the minister therefore intend to take any action to ensure the confidentiality of such information is maintained, unless it is required by law and is specifically requested by other provincial societies? Will the minister give us his assurance that if the allegations aren't true the records against certain individuals in this home will be corrected immediately?

Mr. Speaker: I want to caution the honourable member. Something as detailed as that should really be sent as an inquiry of the ministry. Members over there complain about

lengthy and voluminous answers. I think other members have a right to complain about the length and the detail requested in the question.

Mr. O'Neil: Mr. Speaker, on a point of personal privilege, I believe the minister is familiar with this case. These things have been brought to his attention and I believe this Legislature has a right to—

Mr. Speaker: I still think, though, that the honourable member is pre-empting the time of the House by posing lengthy and voluminous questions and I would ask him to keep it down.

Does the honourable minister have a brief response?

Hon. Mr. Norton: Yes. I would be glad to respond in whatever detail the honourable member wishes, but there is one thing I would like to get on the record here and now. It relates to the supplementary part of his question.

He seemed to suggest it was a result of the action of an employee or employees of my ministry that this name was placed on the register. I want to assure him that to the best of my knowledge that was not the case. In fact it was the responsible children's aid society in the jurisdiction in which the service was located. I would be glad to assure him we will take every step to ensure no improper or unjustified reporting has taken place under the legislation.

CANADA METAL COMPANY LIMITED

Mr. Renwick: I have a question of the Minister of Environment. I refer to the statement he made today about the notice of intention to issue a control order against Canada Metal Company Limited. My question is: Given the history of the company, can the minister assure the House he has assurances from the company it will not contest this order and that the order for which notice has been given will go into effect substantially in 15 days?

Hon. Mr. Parrott: I can certainly assure the honourable member it will go into effect in 15 days. Whether or not they will appeal the order, I can't give him that assurance. But if they do, and if they are in violation, then we will take them to court; I do give him that assurance. One way or the other, we are determined to change the situation. I can't say they can't appeal it. I have some indication there is a commitment by the company to do so. I hope they will live with the control order because it is the only way I see of ultimately resolving the problem.

Mr. Kerrio You might win our first case.

Mr. Renwick: By way of a supplementary question, and because the minister referred in his statement to the health concerns in the area with respect to this plant: Given that studies have clearly indicated that relatively low doses of lead affect the mental processes of children in their ability to deal with words and to pay attention, and that a continuing consistent effect of exposure to lead is a disturbance of the capacity to pay attention and therefore of the ability to learn—

An hon. member: That's what happens to all the Tories.

Mr. Renwick: —will the minister, in association with his colleague the Minister of Health (Mr. Timbrell), institute in the area of Riverdale a project scientifically and medically established for the purpose of conducting the kinds of surveys under the responsibility of this government which will determine this question over the next period of two, three, four, or five years if necessary, as to whether or not that plant, even meeting the requirements of the standards of the government, is nevertheless a hazard to the children in that area—

Mr. Speaker: The question has been asked.

Mr. Renwick: —because of the studies which have been conducted in this area?

An hon. member: Renwick is out of retirement.

[3:15]

Hon. Mr. Parrott: I'll answer very briefly, and not quite directly, the question put in the first instance.

Certainly if there are tests required now, as I said in my statement we are more than prepared to have that done. However, I realize the question was more on long-term effect. I would like to consult with the Minister of Health, because I believe that kind of study should be done under the auspices of the Ministry of Health, as a public health survey; therefore I would like to consult with him prior to making that reply here in the House.

CHICKEN IMPORTS

Mr. G. I. Miller: I have a question for the Minister of Agriculture and Food. The minister has indicated that Ontario has backed efforts to save the chicken farmers. The other headlines are that the Ontario chicken farmers have lost the battle to expand their production. I wonder what the minister has done to protect against the importing into Ontario of the biggest percentage of imports at a

time when the producers have expanded their barns, at a time of high interest rates, and when these barns could go empty? What has he done to protect the Ontario producer?

Mr. Watson: Where's a chicken?

An hon. member: Why don't you hold up a chicken when you ask that kind of question?

Hon. Mr. Henderson: Mr. Speaker, I am not sure that I entirely understand the question of the honourable member.

An hon. member: What have you done?

Hon. Mr. Henderson: Firstly, he said there is no ground left for chicken production expansion; could he enlarge what he means by that statement?

Mr. Speaker: Did you hear the question?

Hon. Mr. Henderson: I didn't hear it clearly enough to answer. Mr. Speaker, as I understand it, he's suggesting that under the present quota—

Mr. Speaker: Just say you didn't understand the question. We will let him place it again.

Hon. Mr. Henderson: Yes.

Mr. G. I. Miller: Mr. Speaker, I have asked the minister to indicate to this House what he has done on behalf of the Ontario chicken producers, who are now accepting the biggest per cent of the Canadian quota into Ontario. I think it has increased 91 per cent; US imports into Ontario increased 91 per cent last year—

Mr. Speaker: Now I don't understand the question.

Mr. G. I. Miller: What have you done, Mr. Speaker?

An hon. member: Give him a non-understandable answer.

Mr. Speaker: It has just been pointed out to me that I am in the enviable position that I don't have to answer it either.

Hon. Mr. Henderson: Mr. Speaker, I now understand what the honourable member has requested. Firstly, I am sure the House knows that I did accompany the chicken producers to a meeting in Ottawa. I explained that last week when the member for York South (Mr. MacDonald) questioned me respecting this. I pointed out at that time to the honourable member that we had accompanied these people to Ottawa where I had supported this smaller amount. But now, I pointed out, the federal government had set an allocation.

I recognize they are the law and have the authority, I only enlarge on that statement to the effect that I do believe that the quota that has been set is approximately seven per cent lower. Last week I wasn't quite this familiar with it, but I do believe it's approximately seven per cent below that which we have been receiving.

In addition to this, and in a more direct answer to the honourable member, a week ago Thursday I sent a telegram to my federal colleague pointing out—

Mr. Conway: That will do it.

Hon. Mr. Henderson: —that there is every possibility that what this member has brought to my attention will happen, that the total allocation might come to Ontario. I asked the minister to see that this did not happen. I took steps before any announcement was made.

Mr. Speaker, I have had further meetings this morning with the producers, with the processors, with the feed companies. I believe now the processors' organization is going before a Senate committee to present the facts as the member has presented them to the House this afternoon.

Mr. G. I. Miller: Would the minister look into why Maple Lodge Farms have been forced to import chickens from the US since the beginning of 1976; and also to see why we can't protect our own industry?

Hon. Mr. Henderson: I will certainly look at that, but it is my understanding this particular organization we have spoken about this afternoon has been operating fully within the laws of the land.

Mr. Riddell: When the minister is looking into Maple Lodge's importation, would he also look into the rumour that Maple Lodge is thinking of either constructing or acquiring poultry buildings in Michigan, knowing they are entitled to the largest share of the imports coming into Ontario and knowing full well for what they are going to be using those buildings in Michigan? Would the minister take a look at that—disregarding the fact one of the owners of Maple Lodge happens to be a very good friend of the Premier?

Interjections.

Mr. Speaker: Order, order.

Hon. Mr. Henderson: The honourable member should well remember June 9, 1977. Our Premier has many friends in this province.

Interjections.

REPORT

STANDING ADMINISTRATION OF JUSTICE COMMITTEE

Mr. Philip from the standing administration of justice committee presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr17, An Act to revive the Dinorwic Metis Corporation;

Bill Pr26 An Act to revive Smith Brothers Jewellers Limited.

Your committee begs to report the following bill with certain amendments:

Bill Pr7, An Act respecting the County of Northumberland.

Report adopted.

INTRODUCTION OF BILLS

COUNTY OF SIMCOE ACT

Mr. G. Smith, on behalf of Mr. G. Taylor, moved first reading of Bill Pr22, An Act respecting the County of Simcoe.

Motion agreed to.

CITY OF HAMILTON ACT

Mr. Mackenzie moved first reading of Bill Pr21, An Act respecting the City of Hamilton.

Motion agreed to.

CITY OF SARNIA ACT

Mr. Blundy moved first reading of Bill Pr18, An Act respecting the City of Sarnia.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I wish to table the answers to questions 299 and 307 and the interim answers to questions 313 and 318 standing on the Notice Paper. (See appendix, page 3958.)

PRESENTATION TO MINISTER

Mr. Yakabuski: Mr. Speaker, before the orders of the day, I would like to deliver to the Minister of Industry and Tourism a present that I accepted on his behalf in Renfrew a week ago today when the minister visited that community as part of an announcement of a $38-million-plus industry for Renfrew and Renfrew county.

Mr. Speaker: Just send it down. We don't need all of the histrionics.

Hon. Mr. Grossman: Mr. Speaker, might I just accept it from my good friend and point out to the House that today happens to be his 57th birthday.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MANAGEMENT BOARD OF CABINET

(concluded)

Mr. Germa: Mr. Chairman, when we were last considering this estimate I had posed several questions to the minister regarding expenditures of certain boards and commissions and I hope that the minister is prepared to reply.

Hon. Mr. McCague: Mr. Chairman, I wonder if, first, I might revert to a question that was asked by the member for Brant-Oxford-Norfolk (Mr. Nixon) on vote 401, item 1? He wasn't here to hear the answer.

Mr. Chairman: Actually that vote was passed. Would the committee agree to allow the minister to answer?

Agreed.

Mr. T. P. Reid: If we can get an answer we'll take it any way we can get it.

Hon. Mr. McCague: Mr. Chairman, the member for Brant-Oxford-Norfolk inquired about executive automobiles and said the taxpayers were providing too many cars and drivers to members of agencies, boards, commissions, branches of ministries, et cetera. I'd like to point out to the honourable member that cars provided for individuals are not an extra-expense frill but are part of the total compensation package provided to a limited number of executives.

At the present time, besides the ministers of the crown there are 27 deputy ministers, five individuals with the rank and status of deputy ministers, and three others who have approved cars on an individual basis. The chauffeurs are not provided, as might have been taken from the member's remarks.

I don't think the honourable member wishes me to read the whole list but I think he knows that the deputy ministers and all those other than ministers do pay a per-month charge for their cars if they use them on personal business.

Mr. Nixon: Mr. Chairman, if there is a detailed answer I would appreciate it—if it were tabled, if the minister wouldn't mind, as I've always been quite interested in this.

When the minister indicates that I should know that the drivers are not provided, does he mean to say that the cars are provided to the deputy ministers and they drive them themselves?

It doesn't seem to make sense to do that. The only way that he could justify providing a car and driver is really on the basis of the driver. If he's not paying them an adequate salary, perhaps they should have an adequate salary.

[3:30]

I personally thought the average salary for a deputy minister, being just under $60,000, might enable them to buy what you might call basic transportation for themselves.

If the argument is that because of the heavy pressures of their duties they should not be driving a car, that they've either got to work while they're driving or their minds are occupied with matters of high policy and difficult administration, and therefore they can't concentrate adequately—and believe me, I happen to know from my own experience that this is the case for some people—then I could go along with it. But to provide them with a car without a driver has no justification whatsoever.

Most of these people are paid between $50,000 and $60,000, I believe, and I think the chairman of management board ought to just pass the word along that as one of the perquisites of high office in the province that is going to end. It's just completely crazy.

Right now we're talking about boards and commissions. I happened to be paging through the report of the Workmen's Compensation Board. I've sent somebody to get the report since I haven't got the details here. The value of the cars that are allocated to the Workmen's Compensation Board is, as I recall, $860,000. That's probably, with the kind of car you buy, two or three cars, maybe four or five cars right there.

It really does concern me deeply. I want to go on record as saying, as strenuously as I can, that I believe a driver can be justified for officials, elected and appointed, who have very high-pressure jobs—we can argue about who those people are—but the provision of just a car, I think, is a policy that should be changed. It's a waste of money.

I would like to hear the minister defend it on terms other than that's what we've always done since 1943.

Hon. Mr. McCague: I did mention that as far as the deputy ministers were concerned the cars were part of a total compensation package. I think that's fair. I don't see anything wrong with that.

There are occasions, of course, when the deputies do use drivers from the car pool, if it's a very weighty item they're considering. I understand what the honourable member means when he says there are times when you get preoccupied. That radar is really tough these days, isn't it?

On vote 402, policy development and analysis program; item 4, management policy.

Mr. Chairman: I believe the member for Sudbury asked if there were answers to any of his previous questions.

Hon. Mr. McCague: Mr. Chairman, the honourable member referred to agencies, boards and commissions. Could he be slightly more specific as to what he wanted answered?

Mr. Germa: Mr. Chairman, I have a whole series of queries regarding royal commissions precisely and how the manual of administration has not seemed able to contain these expenditures.

The specific question I asked was relative to the commissioner who was studying violence in the communications media and who in fact had issued her final report, yet was still billing the government of Ontario on a per-diem basis for radio and television interviews which she conducted X number of months after her report was finalized. Does the manual of administration tell us at what point a royal commissioner is off the payroll completely?

The way it is now, there's no cutoff point—which was proven in this one instance, at least. How often it goes on with other royal commissions, I don't know.

Hon. Mr. McCague: Mr. Chairman, the honourable member has raised the question of the LaMarsh commission. At that time—I guess it was in 1974—there were no guidelines that pertained to royal commissions.

Mr. T. P. Reid: Great managers, you people.

Hon. Mr. McCague: Since that time there have been guidelines established and they do have, among other things, a proposed termination date for the commission. I might add that the management board guidelines were not in place at the time of the royal commission on violence in the communications industry.

The honourable member raised the issue of the number of copies of the report on violence in the communications industry. I agree with the member that the production of numerous reports may be unnecessarily expensive.

This issue is clearly recognized from the guidelines. The guidelines indicate only five copies of the final report will be presented to the government. The decision to produce additional copies is the responsibility of the government and not the royal commission.

Mr. T. P. Reid: The ministry has accepted something from the public accounts committee.

Hon. Mr. McCague: It certainly did.

Mr. Germa: I have the reference guidelines in front of me and they are entitled,

Information for Commissioners. Maybe the minister could direct me to the exact paragraph which terminates this commissioner, or any commissioner?

Hon. Mr. McCague: I had the guidelines right before me. Does somebody have them?

Mr. T. P. Reid: Perhaps, Mr. Chairman, while we're waiting, and following my colleague from Sudbury's question, I wonder if I could ask if there is any formal way in which these commissioners are divested of their power of authority and per diem expense accounts? What is the formula, or the modus operandi, of telling a commissioner that he or she is finished and that his or her services are no longer required? Is there a letter that goes out from you as chairman of management board, or from the minister under whose jurisdiction the royal commission happens to fall?

Hon. Mr. McCague: Mr. Chairman, I think the honourable member knows that the administration of these commissions is all under the Attorney General (Mr. McMurtry).

Mr. T. P. Reid: Now?

Hon. Mr. McCague: Yes. Is it guideline eight in what you have there, Mr. Chairman?

Mr. T. P. Reid: Does the Attorney General send the letter? How does he inform people?

Hon. Mr. McCague: I'm not aware of that.

Ms. Bryden: Mr. Chairman, on the subject of a few minutes ago of automobiles provided to ministers and deputies, I'd like to ask the chairman of management board if he is giving any consideration to bringing in some restrictions on the size of cars that can be purchased by the members, particularly in view of the energy shortage and the high cost of operating the cars. Are we going to cut down on the gas guzzlers? The ministers and deputies should set an example by buying smaller cars. Second, in the interest of restraint, which is another policy of this government I believe, are we going to cut down on the number of options which ministers and deputies are allowed to request when they request their car?

Hon. Mr. McCague: No, there hasn't been any thought given to making it mandatory that the cars be smaller. As the member knows, several ministers have tried that and the economies just aren't there. I think the member will find that many of the larger cars are giving better mileage than the middle-sized cars. Certainly, you could go to the very small ones and probably get better mileage.

Mr. T. P. Reid: Like the NDP drive.

Mr. Ruston: They're all imported.

Ms. Bryden: Would the minister answer my second question about the options as well?

Hon. Mr. McCague: The options, within a defined list—and they are generous—are at the discretion of the ministries.

Mr. T. P. Reid: Do parliamentary assistants have the right to ask for a car and driver to go somewhere to make a speech, or whatever? You read off a list of ministers and deputy ministers. You mentioned three other people as well, I think. Who are those three other people?

Hon. Mr. McCague: The other three are the provincial auditor, the chairman on the commission of election expenses and the Ombudsman.

Mr. T. P. Reid: Do the new parliamentary assistants have the right to use this car pool? Am I correct in suggesting that the Speaker of the House is allowed to draw on this car pool as well?

Hon. Mr. McCague: Yes, and the parliamentary assistants when on official government business do have the option of using the car pool and having that charged back to their ministry.

Mr. Germa: Another item of concern is the retention of legal counsel or other expert counsel by royal commissioners. I understand that commissioners are exempt from the manual of administration in that they don't have to approach governmental lawyers or people from the Attorney General's branch to obtain legal counsel first and then have recourse to private counsel.

Is that correct? Why would every other operation of this government be bound by that administrative dictate that it must use in-house lawyers first and private lawyers second, while commissioners are exempt from this guideline?

Hon. Mr. McCague: I think I should put on the record that many of the inquiries that we have in Ontario are the result of suggestions made not only by the government, but by all members of this Legislature. If the commission decides to use an outside lawyer, I think the reason for that is abundantly clear. It's usually to get an outside opinion on a certain matter that is the reason for a royal commission. It's outsiders that we're basically using. I think that should be clear to the member.

Mr. Germa: I agree that on certain occasions the commission must be totally removed from governmental interference. They have to appear to be absolutely removed from government. But in a case where a lawyer is

supplying only technical legal advice and not supplying opinion, I don't see why we have to pay what I consider to be outrageous fees for outside legal counsel.

While the minister is responding, maybe he could bring me up to date on what the manual of administration says as it relates to the per diem or the fee that is paid outside legal counsel. I've seen some whopping bills around this place for legal counsel. Whether there is a guideline or not, I don't know. I wish the minister would talk a little bit about that aspect of legal counsel.

Hon. Mr. McCague: I don't think there'd be a case where if information was available from the government a royal commission would repeat that. They would obviously ask us to give them whatever information we had and then they would go about their own independent inquiry, as we all here would have asked them to do.

Mr. T. P. Reid: That's nonsense.

Hon. Mr. McCague: What's nonsense about it?

Mr. T. P. Reid: If I may have the floor, I'll tell you.

I'm sure my colleagues will remember—and I realize that the minister wasn't there—during some of the hearings of the public accounts committee and in particular the one concerning electrical power planning in the province, the chairman of that commission, in the course of questions from members of the committee, was asked—I believe, it was on the hiring of a lawyer, but the same would obtain—"Why did you hire this person?"

He said, "My good friend, who had been on another royal commission, said I had to have one, so I went out and got one," at a total cost, if I recall correctly—and my friend from Sudbury will help me with this—of about $180,000 by the time the smoke cleared.

What we're trying to say to the minister is that these things go on all the time. There's empire building by these people that the government is setting up to study these things. These fees are outrageous and it's going on all the time. In fact, in some of these cases, as in the electrical power commission study, we found the only reason some of these people were there was that somebody suggested that they had to have them.

[3:45]

It is like having two swimming pools or three cars or a vacation in Hawaii and a vacation in the Bahamas. Why do we have them? "Well, somebody says we should have them." It is going on all the time. This is taxpayer's money and it has been brought to your attention by the public accounts committee on numerous occasions.

Hon. Mr. McCague: Mr. Chairman, I think there is some misunderstanding as to the point the honourable member is trying to make versus the one made by the member for Sudbury. I understood the question to be: Why would we be hiring legal staff on a royal commission when we had legal staff within a ministry? My answer was we would not second staff from within the ministry, but I am sure the commission would have the benefit of any information presently in the ministries and they would work from there on.

Mr. T. P. Reid: I appreciate what the minister is saying. I think our point, though, is the same. You have all the staff lawyers both within the Ministry of the Attorney General and in other ministries. I can appreciate the point made to the public accounts committee, that you don't want to second lawyers from the government because it might seem as if there is a conflict of interest.

Having given that argument a great deal of thought, I think it is pure bunk. We are spending a lot of the taxpayers' money on high-priced legal help. Somebody made the point that some of our select committees have followed this practice and I think in most cases it cannot be justified and is a waste of time and money.

It is some kind of prestige thing—our hands aren't clean on this—for a select committee to have high-priced legal staff, but it certainly just seems to be something royal commissioners have fallen into and feel they have to have. Personally, I can't think of too many cases, but there are some, when this high-priced legal talent might be required, but I don't think in all and every case it is any way justified.

I think you, as Chairman, Management Board of Cabinet, should be looking into these matters a little more closely than has happened in the past.

Mr. Germa: The second part of my question was, what are the guidelines in the manual of administration on rates to be paid to outside counsel? When you come to the conclusion outside counsel is required, where is the top? What is the lid on this? What does the manual of administration say about this?

To remind you, Mr. Chairman, what these costs can run to, let me just detail the legal costs of the commission on the northern environment involved in one year of operation.

The total legal services for that year was $167,714, broken down as follows: research counsel, $97,723; commission counsel, $49,306; associate counsel, $20,265; and other legal costs, $420, for a total of $167,714.

Where does the manual of administration allow this kind of expenditure? Is it justified, or do you know, or do you care?

Hon. Mr. McCague: There is nothing in the manual of administration that says how much a lawyer or researcher or whoever it may be with a royal commission is to be paid. To a great extent, that is up to the royal commission.

Mr. T. P. Reid: That's the problem.

Hon. Mr. McCague: It is up to the royal commissioner to decide, in the light of the arm's length mandate he is given by this government, to determine what kind of expertise he needs.

When they are hiring people, those salary ranges do come to management board. We see them. They are normally not out of line with the rate for people doing similar work. We are very reluctant, I must say, to say so-and-so is not worth what the royal commissioner says, but they must come to us and tell us what they intend to pay.

Mr. Germa: The minister is telling us there is no limit; that each case is individually evaluated, if I understand him correctly. It could be $75 an hour, it could be $300 an hour, and he will make an evaluation.

Maybe I could ask a specific question: how high has he gone? How high and how far can he go in approving? What is the maximum hourly rate he has ever approved for a legal counsel to a royal commission?

Hon. Mr. McCague: I will get that figure for the honourable member. Of course these come to us on the recommendation of the Attorney General and the royal commission.

Mr. T. P. Reid: You have to approve them.

Mr. Germa: I understand section 50.8 in the manual of administration says any legal bill in excess of $1,000 must be submitted to the Attorney General for approval. But it doesn't say how many hours of work have to be entailed in that $1,000. That's no control whatsoever.

Mr. Nixon: It could be one hour.

Mr. Germa: Could be half an hour and the man bills a $1,000. I doubt if he would ever do that.

Mr. T. P. Reid: Bob Macaulay would, for instance.

Mr. Nixon: Or John Clements.

Mr. Germa: That's only $750 a day; that's not big stuff.

Mr. T. P. Reid: He works a short day though.

Mr. Germa: The point I am trying to make is that I am unhappy with the price of private legal counsel to royal commissions. I don't see that this minister is taking it seriously enough and setting proper guidelines. He did drag in other staff researchers; there's no limit. Whatever the royal commissioner indicates is the price of that man is what they will approve.

Mr. T. P. Reid: All Tories together.

Mr. Germa: Surely, as the watchdog over the expenditure of public funds, the minister has to assume responsibility for saying, "No, that $47,000 for six months' research is not worth it." At some point this has got to be contained, because the cost of royal commissions is going through the roof and it's been getting progressively worse.

Hon. Mr. McCague: Of course the way to control the cost of royal commissions is not to have any. I think that probably would be a good thing for all of us in this House to adopt—not to have any of them. However, given that we must from time to time, in the opinion of this side and the honourable member's side, I think the honourable member is very well aware it is very, very difficult to tell somebody they must do the function of a royal commission and at the same time limit whom they may hire and the amount of money they have to do the job.

They are hired to do a specific job; we look at the costs; if they are within reason they are approved. The Attorney General makes the recommendation to management board. I don't see there is any other way you can have a royal commission and at the same time tell them to finish it in two weeks or in two months—or two years as the honourable member will say—and X number of dollars is the limit. In my personal opinion that just isn't the kind of inquiry that was asked for in the first place—one that's limited by dollars and time.

Mr. T. P. Reid: Maybe—just maybe—then the minister should devote himself to the first question, which is: how many of these royal commissions and investigations are useful, or required, to begin with? Maybe if he started from that question—and he should, as the minister who is responsible for overall spending in these kind of circumstances. If he started with that question he might solve some of the other questions of this high-priced help that is ripping off the taxpayers.

Mr. Nixon: On this subject, I have been quite complimentary and I do it quite sincerely. But in the event this minister is still the chairman of the management board when another royal commission is signed by Her Honour, it seems to me he would be doing a service to the commissioner to invite him to come in and sit down with the comptroller that might be available to the minister. Then perhaps some of the questions the commissioner had would be answered.

I have the feeling the commissioners are working completely in a vacuum. I think probably what they do is phone up one of their buddies and say, "What do you do?" The answer must have been passed on through the grapevine of those people who have been and will be commissioners, "The sky is the limit."

As far as your legal counsel, your staff, your travelling, your time, your printing fees and all of those things go, there's no limit and no control even through the handbook that the minister is talking about. The government—and I suppose it would be complimented for this by some people—has really kept its hands right off by saying anything other than that would be untoward and would be an infringement of the independence of the commissioner.

I personally think that the minister might very well—he wouldn't have to do it himself, as it might be misconstrued if he did—make available one or two of his accounting officials who could perhaps interpret and provide advice and assistance for the commissioner who, to begin with, is all alone. The first thing he probably does is answer four or five phone calls from importunate acquaintances who say that they have a little bit of time—maybe a third of their time is available—and they would be glad to provide the kind of assistance he's obviously looking for.

I think that we could save the commissioners from themselves, from himself or herself. The minister can do this.

Hon. Mr. McCague I wouldn't want to leave the impression with the honourable members that management board doesn't suggest things and isn't successful in altering some of the requests that come from the Attorney General on behalf of a royal commission.

Mr. T. P. Reid: Like what?

Hon. Mr. McCague: We do scrutinize those fairly carefully and do see that the fees are in line with what are being charged in the private sector. Not being a lawyer myself, as the three gentlemen who are commenting today are not lawyers, I know that lawyers get attacked in this House periodically because of the fees they charge. We look to see if they are in line and we have altered some of the requests that have come.

Mr. T. P. Reid: There used to be something called public service.

Mr. Nixon: It's difficult to discuss it in this particular forum. The minister has pointed out that we are not, any of us, lawyers here and that perhaps lawyers get attacked, implying probably unfairly attacked. Yet it's difficult for us to envisage anybody being $150 an hour, nine hours a day, five days a week, 48 weeks in a year, and that not being a full commitment even at that. It really is incredible.

I can remember having developed a bit of a red-neck reputation in this connection, being picked out by a lawyer who was being retained by a committee. It was not the Hydro committee. It was another committee dealing with another matter. The lawyer was trying to explain to me how unreasonable I was.

He said that he had come to Toronto from his office outside of this city and, naturally, all of the time he was away from his own office would have to be billed, whether he was working on the committee or not, because if he were home, he would be able to do these things. He gave me the assurance that when he was walking from the Sutton Place over here—and he wasn't kidding, that's the appalling thing—"When I am coming to Queen's Park from the hotel, I do not charge for that time, even though my mind is fully occupied with the problems of the committee."

It is really just terrible and the thing that gets me is that the only people the lawyers consult with about what is proper is—you guessed it—other lawyers. It's like teachers in the staff room or doctors wherever they hang out or even politicians talking about their own pay. You always get the answer you want when you are talking with birds of your own feather. But I will tell you that somebody's got to represent the poor innocent taxpayer in this terrible skimming the lawyers are giving us.

Mr. T. P. Reid: I would like to go on to another topic, if I may, also about skimming. In this particular case, it's being done by the Progressive Conservative Party—

Mr. Nixon: That's worse.

Mr. T. P. Reid: —that sits across from me in this Legislature, all five of them today.

I am glad to see that the member for Oriole is with us.

Mr. Williams: There's more of us here than on the Liberal side. There are only three of you over there.

Mr. T. P. Reid: He gave one of the worst performances I have seen in 12 years in this House in trying to defend the government's position in regard to public opinion polls in relation to my resolution that was on the Order Paper last Thursday. It seems to me— **[4:00]**

Mr. Chairman: Back to item 4.

Mr. T. P. Reid: —we are talking about management policy and we are talking about, if Mr. Chairman wishes me to tie this in—it relates to the series of questions I have asked over the last two or three years, in regard to public opinion polls and the cost to the grateful taxpayers of the province of Ontario, and answers that had been tabled on occasion by his honour, who is sitting there trying to look interested in the proceedings this afternoon.

On May 31, 1979, the honourable minister, in response to my question about public opinion polls between April 1, 1978 and April 1, 1979, tabled the cost of those polls. Between April 1, 1978 and April 1, 1979, the cost of the public opinion polls taken at the behest of the various cabinet ministers of the provincial government came to $430,312.

When we talk about, under this vote, management policy development and analysis programs, we have had conflicting statements from, first of all, the minister present, the Premier of the province (Mr. Davis), the Minister of Education (Miss Stephenson) and the former House leader (Mr. Welch). In response to my question, the present minister replied, "The tabulation requested on public opinion polls for the period April 1, 1978 to April 1, 1979 is attached."

In response to my further question, "Would the ministry table copies of each such opinion poll?" the minister replied, "The polls in question constitute working documents for the development of policy and it is not the practice of the government to release material of this nature."

We have rules, as you are well aware, Mr. Chairman. Section 26(c) and I believe, section 33(e) of the standing orders of this Legislature, require for any information in regard to policy development that appears in this Legislature, either as a ministerial statement or a policy statement, or finds its way into the legislation, a compendium of information shall be tabled with that material for the benefit of the opposition and, of course, the general public.

That idea came from the Camp commission, who studied the workings of this Legislature some four or five or six years ago. The reason for that recommendation of the Camp commission was because the members of that commission—a member came from each political party, or was suggested by each political party—came to the realization the opposition didn't have the same kind of tools and the same amount of research and the same bureaucracy of some 65,000 civil servants to prepare and assist them in dealing with policy and with legislation when it came before this House.

The reason for that recommendation was to provide members on this side particularly, and the public at large, with all of the background material available, with the exception of internal cabinet memos and those sorts of things; but to provide all that information so at least we could be starting even and so the opposition would have access to most of the material, if not all of it, the government itself had.

I thought at the time, and I think now, that was a very reasonable request. I know this will offend my friend from Oriole but it was a very democratic request, one that added to the democratic system, one that gave the opposition—which is the very essence of democracy—the same kind of weapons to fight with as the government has, excluding of course the 65,000 bureaucrats on that side of the table.

The minister has refused, parroting, no doubt, government policy; but that information should be laid before the assembly and the opposition so that we may have the benefit of the thinking and information on which these policies and this legislation is being brought forward. As, of course, should the public at large.

I'm glad the minister wasn't here for the most fatuous speech I've heard in 12 years when the member for Oriole tried to justify the minister's position by saying, "We can't give you that kind of information, that would just confuse you and the public at large. That's too much information. You wouldn't know what to do with it."

My God, at least the Premier has the decency to stand up and give that sick little smile when he knows he's on the hot seat and rambles all around the topic, without coming out with those kind of fatuous and ridiculous statements. But the Premier got hoisted on his own petard in answering these questions. The Premier stood in his place

and in response to questions from myself and from the leader of the Liberal Party, and I think some from the third party said, "Well, we don't use that information. It doesn't find its way into policy. It doesn't find its way into legislation." If not, then what in heaven's name is it being used for?

I say to the minister who's supposed to be the equivalent of the comptroller general in the province of Ontario, if that information is not being used by the government and various ministries in their building of policy and in the providing of legislation to this House then, obviously, it's worthless and useless. It's taxpayers' money going down the drain for no conceivable purpose. It's the job of the minister to ensure that those things do not happen. That's why he's Chairman, Management Board of Cabinet. I'd like him to try to justify why he and management board are allowing these kinds of expenditures.

If we accept the Premier's word—and we know that old-fashioned politician who believes in the Lord's Prayer and bows very humbly when he says it. Of course, he's never here for the Lord's Prayer at the opening of the sitting. Perhaps that hypocrisy is too much even for him.

Mr. Nixon: That's for sinners.

Hon. Mr. McCague: That's management board policy.

Mr. T. P. Reid: I wonder what the minister is doing, quite frankly. He might as well be doing that because he's not fulfilling his function and he's not carrying out his job if he's allowing the expenditures in one year of $343,000; in a three-year period between January 1, 1975 and 1978, it was $1,273,000.

We're spending literally millions of dollars on these polls that we know about and yet his Premier and his leader says they're not being used in policy analyses; they're not being used for legislative purposes. At the same time, of course, bowing his head again and clasping those hands—as he does so well—the Oral Roberts of the Ontario Legislature says very piously, "And I can assure my friend that we're not using them for partisan political purposes."

I must say that my faith in the credibility of the Premier is getting a little thin, particularly on this topic when these things have been secret for so long. We've been trying for two or three years. If they're not being used by the government for policy and they're not being used by the Conservative government for partisan political purposes what are they being used for? Why are they stamped secret? Why won't he table them in the Legislature so that the members and the public at large can know what's happening to their tax dollar?

Since the survey is a survey of public opinion one would think the public should also be somewhat entitled to know what these surveys are all about, what questions are being asked, and what answers are being given on a very broad basis. It's the absolute height of dictatorship and totalitarianism to take the view the member for Oriole expressed on behalf of the government last Thursday that, "You're not smart enough to be able to handle this information. You're not smart enough to be able to make a judgement on whether it's good, bad, indifferent and it might lead to some false conclusions." What utter nonsense.

And the Premier's pious statement, "I can assure my friend it's not being used for partisan political purposes." The Premier goes around this province in the greatest one-man act since Houdini. The Premier gets himself into these great partisan shows—

Mr. Nixon: More like the Sally Rand.

Mr. T. P. Reid: Does the minister recall Elmer Gantry? That's who the Premier reminds me of. There's a great piece in that movie. I recommend it to the minister. The minister doesn't have to see the movie, he just has to watch the Premier every day.

Elmer Gantry was a con man. That's how the story starts. He was selling all kinds of things like patent medicines and machines that didn't work and had no function—all that sort of thing. There's a parallel there to the Premier trying to sell the big blue machine that doesn't work any more. But Elmer Gantry is converted to religion, as has happened to the Premier in recent months. The Premier hasn't been too worried about religion in the last five or six years because he didn't know that the Lord's Prayer hasn't been repeated in Metro schools for five years. But all of a sudden in this great conversion, the Premier has got religion.

After this somewhat incredible conversion, the next scene is where Elmer Gantry's in the pulpit. He's gone from con man to preacher—a parallel with the Premier the minister might appreciate.

In this one scene, Elmer Gantry is up there in the pulpit and he spreads his hands, and the masses of people are all there, and he said, "You're all sinners." There's dead silence. They all look up adoringly and he says again, "You're all sinners."

So there's the Premier. There's the Premier accusing the opposition day by day for every mistake the Tory government has made for 36 years saying, "You're all sinners," and not

accepting any responsibility for what goes on.

I would like to ask again for the minister to either confirm what the Premier has said, that these polls are not being used for what I think any fairly reasonable person would assume they're being used for—that is, for the use of government ministries to arrive at policy and legislation. Does the minister confirm that? If not, does he disagree with the Premier? Can he give us an answer to that?

If the information is being used in the way we presume it's being used, why are we not entitled to that information? Why can we not have it? If it is a waste of taxpayers' money, what is the chairman of management board going to do to ensure that no similar polls are taken in the province?

Hon. Mr. McCague: I'll try and give a lot shorter answer to that very long dissertation. As I recall it, the answer to which the honourable member is probably referring is the one the Premier gave at the time he was asked if the polls were being used for partisan political purposes. Is that correct?

Mr. T. P. Reid: That's one of them.

Hon. Mr. McCague: The answer to that one is "no." I'm not aware of any time at which the Premier said the polls aren't being used for policy purposes.

An hon. member: Prove it.

Mr. Warner: With a straight face.

Hon. Mr. McCague: As far as management board is concerned, there are no guidelines on the taking of polls to get background information for whatever purpose wished. I did table the answer in the House to the particular question because we were asked by cabinet office to co-ordinate the all-ministry response. We do not have copies at management board of the opinion polls that are taken.

[4:15]

Mr. T. P. Reid: I'd like to bring to the attention of the chairman of management board, if I may, certain statements here. I'd like to read one paragraph to him. I think he will find it interesting. It's from a column by Hugh Winsor in the Globe and Mail on June 19, 1979. The first paragraph reads:

"The Ontario government's position on releasing the results of public opinion polls taken with taxpayers' money approximates the consistency of jelly, with Premier Bill Davis' answers shakier than most."

Then he also quotes Mr. Welch:

"Mr. Welch said he knows of no such bills or statements based on the polls. If he had identified any bills or statements he would then have been required to release the polls on those policies. But if no policy statements or bills were based on the polls why did the government spend the $434,000 on them? Silence."

I suppose we could spend the rest of the afternoon on this particular topic. I'll put it to the minister as simply and directly as I can: Why will you not release the public opinion polls that have been taken with taxpayers' money?

Hon. Mr. McCague: As I've already indicated to the honourable member, we at management board do not have those polls.

Mr. T. P. Reid: Does the chairman of management board approve the expenditures by the various ministries for such things as public opinion polls?

Hon. Mr. McCague: Not per se.

Mr. T. P. Reid: You just approve the overall budget? Do you not feel, as chairman of management board, that you are the controller in the province of Ontario and it is your job and the function of management board to ensure that the resources, both human and financial, of the province that are paid for with taxpayers' money are spent efficiently; that we're getting value for money, in the new parlance of the provincial auditor; that, in fact, the budgets that come through your hands should be carefully scrutinized, and those matters that are of a wasteful nature, or those matters for which there is really no reason for those expenditures to take place should be struck out and sent back to the ministry saying, "We're not approving this and you can't have the money for it?"

I thought that was the job of management board, not just to approve overall a large global budget, but requiring the various ministries to come in and support and justify the expenditures that they're making.

Hon. Mr. McCague: We don't go into every pencil and piece of paper that a ministry wants to buy. We do set the global budget and do scrutinize it. We allow the managers to manage. One of the things we have not looked into are public opinion polls.

Mr. T. P. Reid: That's where the minister has made his mistake. I find this whole matter extremely frustrating.

The minister, of course, with his usual blank look is washing his hands and saying

he has no responsibility. He is obviously not prepared to do anything about it. He is obviously completely abdicating his responsibility as the controller of the province, as the person who should be most concerned about getting the best bang for the taxpayers' dollar; a person who should be worried about each ministry's spending and the things that they're spending on, and yet he sits there and says, "I have nothing to do with it. I am not about to do it," and then he winds up with the concept that almost everybody in Canada has now discarded, and that is, we let the managers manage. That's a hangover from the Glassco report.

Has the minister read the Lambert report on financial management lately? Of course, it doesn't matter, because the minister is not prepared to do anything about anything and, quite frankly, I don't know why we have a management board when it's being run this way. It's a waste of time and taxpayers' money as well.

Mr. Germa: I appreciated that brief interlude. The member for Rainy River certainly has a complaint about divulging information gathered at public expense. I agree with him wholeheartedly in his thrust. But I'm still not satisfied with the answers I've received as a result of questions I've asked about royal commissions.

I want to get back to the royal commissions. I'm concerned about this because I have information which has been brought to us by the provincial auditor indicating that a serious look has to be taken by management board into this expenses of royal commissions.

Let me just raise a couple more points. I hate to be repetitive. Does the minister, for instance, know that the provincial auditor documented at least five instances where a member of a commission claimed a per diem rate of, I don't know how much—$100 or $150—and was not in attendance at the meetings? Does the minister know about that? What is he doing to contain that kind of extravagance and misspending of the public purse?

Mr. T. P. Reid: Or charging for two commissions on the same day?

Mr. Germa: That's my second little question. I'm going to define the question very narrowly because the minister seems to get very vague when I pose a question in generalities. He doesn't seem to want to confide in us, even though I've tried to accommodate him. I've put on my three-piece, board-room, Tory blue suit so he wouldn't be frightened.

Mr. Nixon: Yes, but it's corduroy.

Mr. Germa: No, the corduroy frightens him. I noticed that last week. Here I look like one of the boys in the board room and he can confide in me now, I hope.

Mr. Nixon: The president of the UAW is at Chrysler. He can wear anything into a board room.

Mr. Germa: Maybe. I could do better than those boys are doing anyway.

Maybe the minister would like to respond. How does a member of a commission get paid for at least five days, documented in the auditor's report, without even being at the meeting? You didn't catch it. It was the auditor. Your manual of administration didn't prohibit that apparently.

Hon. Mr. McCague: The honourable member keeps wanting to pursue this question. I am aware of the cases he mentioned. We're not doing the administration of royal commissions, as the honourable member knows. It's done by the Attorney General. I think the problems he has picked out are ones that have been directed to a particular ministry and not to management board.

I think the honourable member has over there—at least I asked that it be sent to him—the guidelines on the administration of royal commissions which include 16 points. I'm quite willing to read these into the record, but I don't think that should be necessary in this exercise. I think we've gone over royal commissions, which really aren't under our ministry when it comes right down to it. The policy yes; the administration no. That's the Attorney General.

If the honourable member is not satisfied with that, we'll go over the guidelines one by one if he wishes. If he does not wish that I'm prepared to answer his question on red-circling.

Mr. Germa: Would it not be a simple matter for the manual of administration to say no commissioner shall claim a per-diem rate unless in attendance at the meeting? That would be so simple.

Mr. Nixon: Do you really think it would help?

Mr. Germa: You might even include a penalty clause that anyone who does bill a per-diem rate and is not in attendance is a thief and will be charged as such. That's the only way you're going to contain this situation. It's not in there. There's no explicit clause that says you cannot bill a per diem.

Hon. Mr. McCague: I don't disagree with the point the honourable member is making. I'm not sure that it would need to be one of

the guidelines. Certainly I'm sure whatever ministry was doing the administration would not allow it, had it not got past them.

There were two cases, I guess, of not being there that were mistakes. The other one was billing two different agencies on the same day. It's a valid point the honourable member makes. I'm not sure it should be changed to read you can't bill unless you're there. But I'll be glad to look into it.

Mr. Germa: The second point was ad libbed by the member for Rainy River: this commissioner who billed two per diems because she was on two commissions. How can there be two days for that person when the rest of us live only once in one day? That person lived twice in one day. How do you account for that, and have you corrected it? That is the question.

There is no use saying, "I transfer the responsibility on to the operating ministry." It was under their surveillance that these indiscretions took place and they appear not to be able to do anything about it, so it has to come to a higher level. It has to come back to the chairman of management board. You are the general manager. If you see that the ministries are not running a clean ship I think you have to take action to supersede them and lay out a manual of administration which will clearly define how these people will function.

The way it is now it is over the edge. I have to get your statement on the record that you are going to take a look at this and you are going to contain these expenditures. I have dozens and dozens and dozens of examples. I don't want to take the time of the whole Legislature to itemize them. Those are only two of them billing without being in attendance and billing twice for the same day. I can show you hundreds of thousands of dollars of other expenditures which should not have been allowed—such as renovations to buildings to the tune of $150,000 and hiring of editorial staff at the rate of $200 a day. It has to be contained and it has to be contained by the minister.

Hon. Mr. McCague: Mr. Chairman, I don't know what the honourable member wants on the record. I obviously don't agree with the two instances he has pointed out. If it is necessary to change the manual that will be done. We have a revised policy that is under discussion now with the Attorney General and will be put into the manual in the next two or three months.

I will put on the record that I don't agree with what happened, but it did, and I am not sure you can make an idiot-proof policy, as a lot of people would like, so there is no chance whatsoever of a loophole, but, as you know, rules can be broken.

The member for Sudbury asked the other day about the salary protection commonly referred to as red-circling. The protection is provided to an employee where an employee's position is abolished because it is no longer necessary and the employee is moved to a lower-paid position, or the position of an employee is restructured due to reorganization resulting in a lower classification, or a position of an employee is reassessed and assigned to a lower classification.

In each of these three cases the employee is permitted to progress to the maximum of the salary range as it existed when the change occurred. His salary is then held at that rate until the maximum salary of his classification exceeds his protected rate.

Where an employee is unable to perform the duties of a position due to health reasons, the employee's salary is protected for a period of six months afterwards. If he is unable to resume the full duties of his former position, his salary is reduced to the maximum of the new salary range.

The salary protection policy is a fair and reasonable approach to provide protection to employees who, through no fault of their own, are assigned to a lower-paying position.

The current status of red-circling was reviewed by the Civil Service Commission over the weekend. Currently there are 525 staff red-circled. In dollar terms this represents about nine one-hundredths of one per cent of payroll.

The degree of salary protection and therefore the duration vary according to the circumstances in each case. Government policy attempts to minimize the duration of salary protection by attempting to place the affected employee in a vacant position for which he is qualified.

[4:30]

Mr. Nixon: When we were discussing the case a little while ago, I was referring to the Workmen's Compensation Board in the report at hand. On page 32 of the most recent report the information is provided that the board cars were purchased at a cost of $803,000. I am not asking specifically about how many cars the Workmen's Compensation Board has, or anything like that. But as you look through the various boards and commissions, as well as all of the government ministries, it is plain that the policy on automobiles is also out of hand.

That is, as soon as somebody gets a bit upwardly mobile, they petition through the

proper channels to have their job associated with, hopefully, a car and driver. Now the minister tells me it's not that, it's just a car. I would say again this is an area where somebody who really is interested in the cost of government could take some action. The argument is always, "Oh well, here's $800,000. What's that in a budget of $15 billion?" I'm sure the minister has heard the argument so often that it must make him sick, just sick, because the two of us have sat on a board where the argument is often put to him that if a certain expenditure doesn't seem to be fully justified you might as well let it pass over rather than rock the boat or offend a friend in any way; it's easier just to go along with it.

In examining the changes in cabinet, I would say this—and I don't mean to be personally abusive to anybody. But with the Treasurer Darcy McKeough now replaced, I have the feeling there is nobody on that side of the House who is really tough about the bucks. I really do.

Our present Treasurer (Mr. F. S. Miller) is a fine guy and we all like him. But to quote him, he says, "Me Tarzan, you Jane." Now how are you going to get serious about a Treasurer who is going to cut costs with that as an introduction to being tough about things?

The Minister of Revenue (Mr. Maeck), one of the abler ministers in my own view, doesn't take any responsibility for that. The Premier has a sort of commitment to so many of our expensive programs that I don't see what can be done about that. The only minister over there who is sort of cutting new meat or something like that is the Minister of Industry and Tourism (Mr. Grossman), who in his own way is upwardly mobile. I see he was presented with an Indian chief's headdress today from the member for Renfrew South (Mr. Yakabuski). You know, there maybe something Freudian in this chief business and the laying on of hands of the great politician from eastern Ontario, who knows?

The point is there is really a vacuum over there for somebody who is not running for the premiership of the province of Ontario all the time; who in fact has a personal and strong commitment to actually cutting costs.

There was a day here when they called it the Treasury Board, that we could sense the various ministers were really apprehensive about the chairman of the Treasury Board. At one time it used to either be the Treasurer himself, or a person very closely allied to the Treasurer if he were too busy to perform that function. But the idea was almost that the chairman of the Treasury Board is like daddy around the kitchen table and what he said went, when it came to financial expenditures.

I think I have said it three or four times about as clearly as I can. I personally believe the present chairman of management board could fulfil that program very well. I don't want to discount him when I say that probably he is not running for the leadership of the Conservative Party. They might do worse and probably will—certainly they have in the past. But I have a feeling that that's not one of his aims. I think there is a certain respect that he must have seen in his own business dealings, that not only does the money sometimes come in pretty easily, but also it goes out pretty easily too unless you turn off the hose and plug the loopholes and tell the people who have the right to spend that they don't do so without an approval.

Now for this chairman to deal with his colleagues in cabinet the way we think he does, the office continues to be downgraded in its importance. It is not the fault of this minister or his predecessor, or his predecessor before that. I think it's been maybe almost a decade since the management board has become almost a routine proceeding. I feel the management board has good staff who provide the kind of information that make it very easy to say, "Well, this is standard, that's the way we have been doing it for a long time, and we will continue to do so."

I agree very much with what the member for Rainy River said when, almost in disgust, he gave up his arguments about the public opinion polls. Of course, this minister is not responsible for his colleagues who undertake these polls. This minister is not responsible for his colleagues who allow their employees to buy cars at public expense.

The former Treasurer said it all in that speech at Sutton Place about a month ago when he said, "The greatest villain when it comes to the public cost of programs is government itself." The minister knows that among the 80,000 public servants there are probably 2,000 who occupy roles which are readily expanded. It's more or less a "given" that the role should be expanded if they are going to be living up to their expectation as now senior civil servants. The object is to expand the cost, hire more people, have a bigger budget, always be pressing against the perimeters and parameters that are established by government policy and are reinforced and policed by the management board chairman.

This chairman still has a chance, in the dying days of this government, to do what has to be done. I admit a new government can do it much more easily; that we don't have to feed the stable of sacred cows—like OISE, and educational television, and the band of senior public servants who feel it is written in stone somewhere they should not only get 60 grand a year but a free car. It is time somebody did something about it.

Hon. Mr. McCague: Mr. Chairman, other than the little speech the honourable member indulged in towards the last three-quarters of his question, I think the only question was what about automobiles in ministries. Is that correct?

Mr. Nixon: You can reply any way you choose.

Hon. Mr. McCague: Oh yes. However—

Mr. Ashe: Very condescending, Bob.

Hon. Mr. McCague: —our studies would say its cheaper for the government to own their own cars where the mileages are considerable than it is to pay civil servants to drive their own. Each ministry does have—

Mr. Nixon: Do they get mileage to drive to work from Forest Hill?

Hon. Mr. McCague: They don't get mileage to drive to work. I think the honourable member knows there aren't people in government who have government cars solely for the purpose of driving to work. Our studies indicate that—

Mr. Nixon: They drive to lunch too.

Hon. Mr. McCague: Will the honourable member please stop interrupting? Our studies show it's cheaper for us to own a number of cars and we do, as do the Workmen's Compensation Board.

Mr. Germa: Mr. Chairman, I am familiar with the boondoggle of cars down at the Liquor Control Board of Ontario as well. We know, for instance, there were some cars sitting down there in the parking lot which moved I think as little as 1,200 miles a year. You are paying a lease—I don't know how much a month—$200 or $300 a month and the car is really not required. The mileage indicated it's not being used. In order to overcome that and to make the situation not look as bad, the liquor control board says, "We have now rotated the cars. We bring in those high-mileage cars from northern Ontario. We let them sit in the parking lot in Toronto."

That doesn't answer the question. You are still leasing a car that's not going out every day. I don't know how often it goes out but the indication is the car is not required. By rotating it and you point at the mileage—that car has 50,000 miles on it—it might not have moved for the month. Those mileages were picked up last year in Wawa or some place. I don't know whether the minister is aware of this kind of thing.

Another thing I am wondering about is the attitude of the liquor control board when they say that they receive a benefit by leasing the vehicle in this fashion. "The leasing company's charge card also reduces the travel advance requirement of our vehicle drivers, which is of great benefit to us." Apparently with this leased vehicle comes a charge card, presumably to fill out with gasoline purchases and car maintenance, and we are using that charge card to finance the travel of liquor control board inspectors. I am a little frightened by this mixing up of moneys—legitimate government expenses being carried by a charge card which is owned by the leasing company that leases the cars to the liquor control board.

Does the minister see the significance of my doubts that this is a proper transaction? I don't know where you separate the public dollars from the private dollars when they are all on the same charge card. I think this is an area the minister should be concerned with and see if he approves of that practice of government employees on the road, doing government business, being financed by an automobile leasing company. At what point in time does the government reimburse the leasing company and at what rate, and what kind of an audit is done in a situation like that?

Hon. Mr. McCague: I understand that each government car does have a credit card assigned for control purposes.

Mr. Germa: Is that a leasing company credit card?

Hon. Mr. McCague: I am not sure. I don't think it is the policy of the various ministries in government, but it might be in the LCBO. I will check on that and let you know.

Mr. Germa: This information I have refers to the leasing company's credit card. That credit card is the leasing company card, not a government charge card. I can see where if that inspector had a government charge card for his travel expenses, his hotel and his meals, that would separate the account, and then he has another card, a leasing company card, for gasoline and tires and automobile maintenance. That would separate the car account, the leasing com-

pany account, from the government account of expenditures.

In this case, the leasing company's credit card precludes the advances which it is necessary to give an inspector when he leaves here, presumably for a month of northern travel or something. The leasing company credit card is not only carrying the vehicle, it is carrying the expenses of a government employee. I cannot see that a private entrepreneur is going to lend you money for 30 days or 60 days, whatever time it takes, free of charge. They just don't live like that. I have never met one.

When you take maybe 50 inspectors across Ontario, their accommodation being financed by a private company, it could amount to thousands and thousands of dollars in a 60-day period, if that's how long it takes for the money to roll around. What kind of interest are you paying on this kind of an arrangement?

Hon. Mr. McCague: I am not sure about the liquor licence board. I know if it was one of the ministries' leased cars they would have a credit card from the Ministry of Government Services, as do all government cars. I can't tell you right now whether the liquor control board or liquor licence board follow that pattern, and I would be glad to find out and let the honourable member know. If it is as he says, I do have some disagreement with it.

Items 4 and 5 agreed to.

Vote 402 agreed to.

[4:45]

On vote 403, management audit program; item 1, operational review:

Mr. T. P. Reid: Can the minister explain the $452,800 being spent in operational review? What's his definition on that? Could he explain to the House what comes under that? I wonder if he can do it without prompting from the civil servants in front of him, but since he doesn't know very much about anything, I doubt it. Can the minister tell us what he is doing?

Hon. Mr. Pope: Don't bother answering that.

Hon. Mr. McCague: Regardless of what the honourable member chooses to think I could read that to him, or would he like me to send it over?

Mr. T. P. Reid: Read it. We're just going through the motion of wasting 47 minutes.

Hon. Mr. McCague: The operational review branch was established under the authority of the Management Board of Cabinet Act. Its role is to—

Mr. T. P. Reid: Why doesn't the minister just tell us what's in it?

Mr. Acting Chairman: Order. The minister has the floor right now. The member for Rainy River should just wait patiently.

Mr. Minister, you have the floor, just continue.

Mr. T. P. Reid: I made a mistake. I shouldn't have asked him to read it.

Hon. Mr. McCague: Thank you very much.

Its role is to assist the Ontario management board and to fulfil its responsibilities for ensuring that managers in ministries and agencies operate efficiently, economically, and effectively. The branch carries out its role by conducting independent, objective, management-oriented reviews of operations on behalf of management board in the ministries and agencies of the government for the purpose of helping and persuading program managers to operate efficiently and to comply with government's administrative policies.

To determine the impact of the board's management policies on the ministries and agencies, the branch carries out special assignments in a variety of problem areas, in rendering assistance to corporate—for example, for management board and ministry management, the branch provides professional diagnosis of, and develops appropriate recommendations regarding the ability of program manager to plan for, measure and report the adequacy of strategic planning and controllership functions in ministries, and the management practices employed by program managers.

They review both operating programs and administrative support services, but its primary concern is with the former because it is the area to which the government's largest commitment of funds and other resources are made. Memoranda directed to ministries and agencies by the provincial auditor are reviewed by the branch to identify matters where corrective action is required.

Mr. T. P. Reid: Mr. Chairman, I didn't think the minister could paraphrase that in his own words. It's obvious from our previous discussion that section of his ministry isn't doing very much either. It's interesting that even the write-up the minister has read so eloquently this afternoon indicates the operational branch should persuade—should almost beg is the tone of it, if you read the first paragraph—the managers to operate efficiently. Instead of saying, "They bloody well better do what they're told to clean up their act," it says in that paragraph, "The operational branch and through them, the minister, must persuade these people to clean up their act."

It's a funny attitude the minister has over there, I say to the minister through you, Mr. Chairman. Of course, he's just filling in a spot and holding down a seat and not doing anything anyway. It's unfortunate the attitude he's displaying this afternoon in response to the questions from this side is such that has led—at the federal level—to the remarks of the federal auditor general and has led us also to the Lambert commission on financial responsibility and accountability.

Everybody else in Canada seems to be aware of the problems except the minister. Of course, as my friend from Brant-Oxford-Norfolk has pointed out, the minister is no doubt too busy being chauffeured around in his limousine thinking about very weighty problems instead of ensuring the taxpayers' money is being efficiently and economically spent. Doesn't the minister think he might just sit down with himself for a few minutes —I know that will be extremely boring company—to try to reassess his attitude toward this?

The minister talked about letting managers manage; and he read the outline of what the responsibilities of this operational review are, with the pleading note of begging managers to please clean up their act when he finds—if he ever does, or anybody in that particular department ever finds—anything which leads him to ask them to please reconsider and think of the taxpayers' dollar and do it in a more efficient way.

The minister mentioned the Glassco report. Its main thesis was let the managers manage. All these well paid civil servants that we have, particularly those in the middle management group, thought that was the greatest thing they'd ever heard. And why not? It was the key to the vault; let the managers manage.

Does the minister have any idea about accountability and responsibility in these things? Does he care at all? Not much, I gather.

I would like to know from the minister, if he can tell us, how many programs were reviewed; how many were sent down to the line managers, the ones dealing on an operational basis? How many were done in the last year? How many of these things that the people were to get for $452,000 under this budget were done? How many of the problems as seen through the operational review branch were rectified?

Hon. Mr. McCague: Over the last four years I think it is, every ministry has been reviewed twice by the operational review branch. Their reports have been given to the deputy ministers.

Mr. T. P. Reid: Can the minister clarify that; every branch has been reviewed twice in the last four years and the report has gone to the deputy ministers?

Hon. Mr. McCague: That is correct.

Mr. T. P. Reid: Where does the minister see his responsibility? Is he content to leave it with the deputy ministers? Am I missing something in his function?

When I described the minister as the comptroller for the province of Ontario, was that a misnomer? Am I confusing the issue? What is his function? Is it not his function to be the equivalent of the comptroller general in Ottawa, who preaudits everything to ensure that we have all these good things like management by objective; that money is being spent according to legislative authority; that tenders are being put; that the taxpayers' money is being spent in the best conceivable way possible; that waste is done away with, or avoided; that we're getting the very best we can for the dollar; that his group under management board, and he as minister, are evaluating these things? When they find something wrong they don't pass it to the deputy minister of that particular ministry; who has a vested interest, after all, in that little empire he's built up on top of his pyramid. What action does the minister take after his people find there's something wrong, other than to send it to the deputy minister of that ministry?

Does a report, for instance, go to the minister if something is drastically wrong? Does the minister follow up on it? Does he say to them, "Look boys, you either clean this up or else"? Or is it the same as we find in public accounts—my friend from Sudbury will forgive me; he's heard this speech before—where week after week we have deputy ministers and middle management people coming before the public accounts committee completely washing their hands of any responsibility of any of the goof-ups—the waste or the fraud or whatever it happens to be—in the ministry they're supposed to be managing? Those same people who are supposed to be left alone to manage and who almost entirely, in each and every case, have washed their hands of any responsibility and accountability.

What I gather the minister is saying here this afternoon is that he goes along with that system; that there isn't any accountability and responsibility, that there aren't any sanctions, that there isn't any follow-up on these reports.

One of my other friends from Sudbury would say what the minister is doing is puting Dracula in charge of the blood bank. If the deputy minister is responsible for management of public funds under that ministry, what incentive is there for him to clean up whatever has been pointed out to him by the people in the operational review branch? What incentive is there there for him to do away with some of these programs that may have long passed by any rationale for still being in existence, other than some kind of empire building? What do we do with these civil servants, since we're going to do away with this program or cut it in half or do whatever we have to do? What does the minister really do about that? Is this branch simply some kind of weak-kneed audit committee that sends up a report to the deputy minister and it sort of disappears, and action may or may not be taken?

Hon. Mr. McCague: As I told the honourable member before, the operational review branch has in the past four years reviewed each ministry twice and has made a report to the deputy minister.

The honourable member opposite knows that as the management board looks at the budget it may make some suggestions. It makes some suggestions for program discontinuation. Those, of course, aren't always popular in this House; but we do look at value for money, we do look at what increased amounts of money or decreased amounts of money they can get along with. Many of their approvals are subject to management board approval. Legislation is subject to financial impact and the approval of that by management board. Certainly we're interested in all the things the honourable member would accuse us of not being interested in.

Mr. T. P. Reid: I don't know why I bother but I'll try one more time. Would it be possible for the minister, and I know he's gunshy on this like the rest of the cabinet, to table in the Legislature—and I know this is completely hostile to the Conservative government's approach to government—some of these operational reviews? If he likes he may go so far as even to omit whatever ministry it is, he can omit the reference to a specific program. Can he just table two or three which will give us an idea of exactly what kind of work is being done; what suggestions are made to the deputy minister and what follow-up action there is on these things? Is that asking too much as well? I say it very humbly.

Hon. Mr. McCague: It hasn't been the custom for the operational review of each ministry to be tabled in this House. They are given, as I said before, to the deputy ministers; and we then audit progress by the next review.

Mr. T. P. Reid: I must be losing my mind like everybody else around here, but I'll ask one more question if I may.

If the deputy minister, who is the chief management person in a ministry, does not follow up on the operational review or the audit that has been done by the ministry people—and obviously it can happen in most cases or we wouldn't have a public accounts committee and we wouldn't have some of these horror stories that we do—what sanctions, if any, are taken vis-à-vis that particular deputy minister for not carrying out the instructions or the direction that has been provided by the minister through management board?

Hon. Mr. McCague: I believe the honourable member knows how deputy ministers are appointed. I presume that it would be taken care of in that fashion.

Mr. T. P. Reid: How many have been fired?

[5:00]

Mr. Germa: I draw the attention of the minister to the provincial auditor's report for March 31, 1978, under the heading: "Status of suggested corrective action and recommendations contained in the provincial auditor's report and annual reports." The provincial auditor goes through a routine of examining expenditures of every ministry, board and commission. He then brings his recommendations to the public accounts committee, which also dwells on these discrepancies that the provincial auditor has found. We submit recommendations in the report and they are itemized here. This minister is charged with seeing that the ministries referred to in the provincial auditor's report are living up to the recommendations.

There is a list of provincial auditor recommendations in the back of his book which goes on for about 10 pages. Some of the recommendations go back as far as the 1974-75 fiscal year and have still not been implemented. I'm wondering what activity this ministry is planning to see that the other ministries live up to this list of recommendations, which as I say go back to 1974 and have not been acted upon by the ministry concerned.

Hon. Mr. McCague: We do follow up each of them and take the appropriate action.

Mr. Germa: How do you explain that a recommendation going back to 1974 has not been implemented by the Ministry of Transportation and Communications?

Hon. Mr. McCague: Would the honourable member please tell me what the specific one is?

Mr. Germa: It's identified as, "Section 125 of the provincial auditor's report for 1974-75, Ministry of Transportation and Communications: Refund policy not consistent with legislation, not implemented as of this date."

Hon. Mr. McCague: I'll have to get that information for the honourable member.

Mr. T. P. Reid: Read them all.

Mr. Germa: I could read 10 pages but it would serve no purpose. To say he's going to get the answer to that one narrow question doesn't answer the question of how active is this ministry—

Mr. T. P. Reid: King Tut is livelier than this ministry.

Mr. Germa: —in getting the various other ministries to comply with these recommendations, which have received serious consideration not only by the provincial auditor's office but by the public accounts committee. By the time the auditor is finished with it and the public accounts committee is finished with it I think there's no argument that it should be implemented. Yet we go back to 1974 and MTC says, "We haven't done it yet. We don't know when we're going to do it." How far do you press? What do you do to them?

Mr. T. P. Reid: They don't do anything.

Items 1 and 2 agreed to.

Vote 403 agreed to.

On vote 404, employee relations program; item 1, public service appeal boards:

Mr. Germa: On public service appeal boards, I posed this question in my leadoff address, regarding the appointment of the chairman of the grievance settlement board. It has now been vacant some nine months. There are 350 outstanding grievances as a result of not having a chairman. Three hundred and fifty outstanding grievances causes a lot of dissension in the ranks. Why don't you get yourself a chairman and get the board moving?

Hon. Mr. McCague: It is true the office has been vacant for some time. It is not true to say there are 350 grievances because there hasn't been a chairman. Of the 350, I think about 250 were in prior to that. But the motion is in process where the union has recommended some names; the union lawyers and the government lawyers are now in the process of selecting a person whom they would agree would be the chairman of the board. I presume that will be done within the next couple of weeks.

Mr. Germa: Could I ask the minister the procedure; is it necessary for both sides to unanimously name the chairman, is that the procedure?

Hon. Mr. McCague: No, Mr. Chairman, that is not necessary. The government agrees to consult but doesn't necessarily agree to accept the recommendation of the union.

Mr. Germa: I go back a few months when the name of a very prominent person from this Legislature was named, I don't know if he was officially named or if it was just leaked, in the person of Stephen Lewis, who would have that appointment.

I don't know what happened to that suggestion or leak. Maybe the minister would care to bring us up to date on how this person was derailed—and I think he was mentioned officially by the government as the person designated to fill the chairmanship of this board.

I agreed with the recommendation at the time. I think you could not have found a better person. The government apparently thought so as well. Maybe you could bring us up to date on this boondoggle.

Hon. Mr. McCague: I never heard anything official to indicate that the honourable member's rumour was correct. There was some consideration given to the gentleman in question, but there was never any appointment made that I am aware of. We have submitted our four or five names to the union for discussion.

Mr. Germa: I know there was never any official appointment made. That is why we don't have a chairman of the grievance settlement board. But it was publicly displayed in the press that because the union didn't like Stephen Lewis the government crumbled right there and said, "Okay, you don't have to have Stephen Lewis."

I am just wondering how far the government can be pushed. If you think one man is the man for the job, why don't you stand up on your back legs and say so and put the man in?

Hon. Mr. McCague: I don't think I have any further comment on that matter, as the honourable member knows.

Mr. Chairman: Are there any further questions on item one?

Item 1 agreed to.

On item 2, staff relations:

Mr. Germa: I listed a whole series of questions a couple of days ago, Mr. Chairman. Maybe the minister could go through them, and save us a lot of time in getting some answers.

Hon. Mr. McCague: The honourable member inquired about the imposition of fines. The use of fines is not necessarily the best form of penalty. Perhaps its use should be reviewed. However, I think we should consider the alternatives before we rush to remove the authority to fine from the book.

Bear in mind the offences for which a fine may be imposed are fairly serious ones, yet the fine is limited by the regulation to not more than five days. If this regulation were removed, it is possible that penalties in excess of five days could be imposed for such offences.

On exclusions from the bargaining unit, Mr. Germa questioned the number of people who are excluded from the bargaining unit. He stated certain percentages in the various provincial jurisdictions to suggest that the number of exclusions in Ontario is far too high. I must say that a comparison of the percentages does not give a true picture of this matter. The work force in the different provinces varies in size and in makeup, and the historical development of bargaining units has varied as well.

We recognize that some people are excluded who should not be excluded and there are some now in the bargaining unit who should not be. The staff of the commission has been meeting on a regular basis with OPSEU over the last few years to discuss these anomalies. I am pleased to advise that considerable progress has been made. We have no way of knowing what the final configuration will be, but the member will be interested to know that during the current year approximately 200 people have been excluded from the bargaining unit while more than 500 have been added.

On political activity, in the first place the limitations on political activity by public servants were not introduced to control patronage, as the honourable member suggests. They were introduced to ensure an impartial public service and to assure the public that such was the case.

With respect to the dismissal and subsequent reinstatement of Mr. Hallborg, I would suggest if Mr. Germa had read the majority decision of the grievance settlement board he would not have made some of the comments he made last Friday. In fact, he probably would not have used this case to support his position at all. The ministry advised Mr. Hallborg before the municipal election that there would be a conflict between his duties as a property assessor and his responsibilities as a councillor. They warned him he would have to resign if he were elected. He was elected and he refused to resign, so he was terminated. The grievance board agreed with the action of the ministry because, as they expressed it, the proper interests of an assessor conflict with the proper interests of a municipal councillor in the same region. The board expressed the view that Mr. Hallborg had undertaken to serve two masters whose interests are not the same and are sometimes opposed. In other words, there was a direct conflict of interest which could not be tolerated. I should also point out that it was not public opinion that brought about reinstatement of Mr. Hallborg, as the critic for the NDP suggested but, as the majority decision points out, it was the compassionate gesture of the ministry that did so.

Let me quote from the majority decision at this point. "At the conclusion of his argument, however, counsel for the employer advised us that he was instructed by the ministry to inform the board that in the event we decided, as we do, that the ministry's decision was correct, the ministry consented willingly to any finding or determination that would convert the griever's discharge to a suspension, provided that the griever either accept a transfer to an adjoining region, such as the position now being opened, or resign from his municipal office. In our view, such a determination is appropriate under the circumstances, where there has been nothing blameworthy in the usual sense in a griever's conduct."

On the right to strike, I am already on record as being opposed to granting to public servants and hospital employees the right to withhold their services from the public. Our position has been consistent in this regard. Our reasons for taking this position are also on record. While some people would say that public servants should be given the right to strike, we say there is an equally important right which any responsible government must recognize, that is the right of the people of Ontario to receive the services they pay for with their taxes. An orderly society depends on these services, which by their nature are not available from any other source. It is an obligation of government and of the public servants to ensure that they are provided without interruption.

The member for Sudbury says he sees no reason why a gardener who does not perform an essential service cannot go on strike. Then

he goes on to say, to answer his own question, that he has yet to hear a proper definition of an essential service. He has provided one of the reasons why this government has imposed a blanket prohibition on all crown employees instead of trying to distinguish between essential and non-essential services.

The member is right, he has not heard a proper definition of an essential service because there isn't any proper definition. For example, a snowplough operator would not perform an essential service during some months of the year while it would be very essential in others.

[5:15]

Another question was on the payment of legal fees of employees who are charged with an offence for an action taken in the course of their duties. This touches on a sensitive and difficult problem, the payment of legal fees for employees who are charged. It is difficult because it's sometimes impossible to determine whether the employee was properly carrying out his duties or if the employee was acting improperly. I think this assessment is more properly the responsibility of the individual ministries rather than the management board, but I am pleased to advise the member this matter is currently under review by the staff of the Attorney General and I am advised we can look for some form of policy discretion in the not-too-distant future.

Mr. Germa: It's obvious the minister and I have a fundamental philosophical difference which we are not going to resolve here in the next 15 minutes. But I still maintain political rights in a democracy are essential for the widest group of people you can possibly allow to participate.

I will agree with the minister that policy-making and managerial people in the government service maybe should not participate, but that would take care of the top 5,000 out of the 60,000 civil servants. Sure we skip that group, but the other 55,000 I am convinced—an assessor group 3—for example; he doesn't make policy, he's not managerial, he's doing a functional job as dictated by his supervisor. To preclude him from seeking public office, from raising funds, from speaking on behalf of a candidate, is just a horse-and-buggy attitude.

This law has been on the books since 1897. This is not the same province we had in 1897. There were only 700 civil servants at that time; there were very few functions carried out by the government other than managerial and policy development. I can understand that in 1897 those 700 civil servants were precluded.

It's not the same ball game now at all. People are doing ordinary everyday functions under the guise of public service. I have no objection to the government doing that, but a lot of those functions could be done, and were done previously, in the private sector and they have been gradually, over the years, usurped by governmental agencies. I am not complaining about that but when the government usurped these activities which were formerly under the private sphere you took away political rights. I just can't agree; there should not be a slackening of that activity.

As far as access to the union is concerned—the number of people excluded from organization—the minister did not refute my figure that 22 per cent of the Ontario public service is precluded from joining a union, whereas in any other governmental service in Canada you will find the figure only 10 per cent. I would suspect the structure of the Ontario public service is not too different from the structure of the public service in Quebec or Manitoba. I would suggest that all government structures are comparative, vis-à-vis management and non-management percentages, yet we have twice as many people in Ontario precluded from participating.

Item 2 agreed to.

Vote 404 agreed to.

Mr. Chairman: There are 13 minutes remaining. I wonder if the committee would like to take all five items of vote 405 at once if that's agreeable? Does the minister have any answers for 405?

On vote 405, government personnel services program:

Mr. T. P. Reid We've got to put in the time. We're not going to get any answers, but maybe the civil servants, at least, can give us some factual information. Who are the temporary help services? You're only spending $95,000. I know it's not important but you probably know the answer to that one.

Hon. Mr. McCague: GO Temp.

Mr. T. P. Reid: Secretarial help?

Hon. Mr. McCague: Other types too, but mostly secretaries.

The member for Sudbury raised a question on the student exchange. The exposure of the university students in each province to a different culture was a primary aim and remains so. This joint venture with our nearest neighbour to the east was considered to provide, among other advantages, a valuable work experience at a time when such experience is at a premium. The students who took

part in this program derived a double benefit; it's regrettable that the misunderstanding over the question of pay marred an otherwise excellent opportunity. I would like to mention that the province of Quebec and some other provinces which participated with Quebec had a somewhat different aim than ourselves. Consequently this was reflected in the different basis for payment.

The Quebec students in Ontario were not paid the minimum wage of that province but a variable amount relative to their individual academic experience. In fact, the Ontario students were paid on the same basis as other Experience '79 students as well. This was a shift from the previous practice whereby the receiving province paid the student, and this change had a positive effect on the participation.

I must agree with the member who raised the question that it is valid. At this time I cannot say whether we will substantially alter the arrangement for next year; however, I can assure you that every participant in this program in 1980 will be given a thorough explanation of the terms and conditions at the time of application.

Mr. Germa: Even under the present regulations, Mr. Minister, you know that you can't fill the program. If you are not willing to up the ante then the program is going to fail. Either the program is worthy or it is not worthy. I am not here to make an evaluation whether it is worthy or not; but if you are going to institute the program, fund it properly and don't starve the kids to death down in Quebec City. They can't live on $3 an hour down there.

If it is not worthwhile then scrap it, but don't go half way. With about 130 people speaking badly about the province of Ontario in Quebec and Montreal they did us a disservice. You spent $100,000 to get people in Quebec badmouthing us, so the program, in my mind, had a negative effect. If it cannot be funded and operated properly, scrap the thing.

Vote 405 agreed to.

Mr. Chairman: That completes the estimates of management board.

On motion by Hon. Mr. Wells, the committee of supply reported certain resolutions.

CONCURRENCE IN SUPPLY, MINISTRY OF CORRECTIONAL SERVICES

Mr. Ziemba: Mr. Speaker, I am going to talk about the Barrie Jail. These estimates give me an opportunity to talk about the Barrie Jail and I have a few complaints I want to put on the record, because—

Mr. Ashe: He's got inside information.

Mr. Ziemba: —the member for the area doesn't seem to want to talk about it.

Mr. Kerrio: You've got a conflict of interest.

Mr. Ziemba: I had occasion to be at the Barrie court on Tuesday, October 9, and at that time I was saddened to see the number of young prisoners being led into the courtroom. There were easily a dozen young people, all teenagers, handcuffed together. They were asked to sit in the prisoners' box, but because the prisoners' box wasn't big enough they overflowed into the regular part of the courtroom.

There was one young woman there I assumed would be no more than 12 or 13. I found out later she was 18 years old, but she was handcuffed to the young fellows who were there.

The judge wasn't too happy with the way some of the cases were being handled and took the legal aid people to task, because in the young girl's case she had asked for legal aid during her previous court appearance. That was a week ago.

Apparently the information has to travel from the jail to the courthouse, a distance of 100 yards. A week had passed and the information had just arrived that day, so there wasn't enough time to get a legal aid lawyer for her. The judge found himself in the position of having to have her remanded over for another week for trial because she couldn't get representation that day.

So here's this young girl in jail. The bail was $1,500. The mother had $800 of the $1,500 that she could put up.

Mr. Speaker: We're dealing specifically with the estimates for Correctional Services, and to this point—

Mr. Ziemba: I'm coming to the point, Mr. Speaker, you'll understand when I get to it.

Mr. Speaker: I'd like you to relate it to these estimates.

Mr. Ziemba: I'm going to call for a new jail in the Barrie area, because that one isn't adequate. We need to make sure that in these estimates we have the funding for that facility. This highlights—

Mr. Speaker: What the member has alluded to now deals with what has happened in the courts as opposed to what happens in correctional centres.

Mr. Ziemba: Pardon me, Mr. Speaker, but we're coming to the crunch. Anyway, to

make a long story short, she was transferred back to Barrie Jail.

I went to see her at noon. I went up to her cell, which is on the third floor; a real fire trap which has wooden stairs going up. I think the facility up there was used by a former superintendent but now it's used for prisoners. There's one room housing, I think, 10 women. It was jammed to capacity.

I found young Lynn there. I asked her how old she was. She is 18. She is there on a mischief charge, but because she didn't appear in court—and that's how a lot of these kids get into trouble, they miss a court appearance and then a warrant goes out for their arrest. It may be a trivial charge they're originally charged with, but then they become hardened criminals because they're arrested and dragged into the jails.

In her case, she was there for two weeks because she couldn't get bail or legal aid. The jail didn't have enough space for the women on that third floor, so on weekends they have to be transported from Barrie to the Metropolitan Toronto West Detention Centre here in Toronto, and then returned to the Barrie Jail on a Monday morning to face trial in Barrie.

It's a dungeon, Mr. Speaker; and that's putting it mildly. It's worse than our Don jail. The only thing that it's got going for it is that it has a fresh coat of paint. If it were in Toronto it would have been closed up many years ago. It's a disgrace to our north country.

I think this minister's priority should be to do something about the Barrie Jail; and to do something that his predecessors started doing about monitoring the activities in jails. There's no excuse for a young person to be held in jail simply because she can't raise the bail or simply because she can't get a lawyer.

We're not operating debtors' prisons in this day and age, and the minister has an obligation to make sure that people aren't held in jail simply because they don't have enough money.

Now in this case, the day that I was in Barrie there was one duty counsel serving three courtrooms. He had a lineup. He didn't get around to the prisoners until almost 12 o'clock, yet these people are the ones who should be looked after first. He didn't get around to seeing them because he had so many other people who needed his advice and counsel, that was free, and who were seeing him in the hallways.

I think in the Barrie area, the minister should immediately get hold of a couple more legal aid people. He could recommend that to his colleagues in cabinet. That area certainly could use a few more legal aid lawyers. This would put less strain on the jails. He might not find the jails housing so many people if we could dispense justice more quickly.

The other matter I want to talk about is the fact that we're talking so much these days about cutting teachers and closing down schools; while where we are spending money is on our jail system. We are firing teachers and hiring more prison guards. I'm bothered by the fact the average age of prisoners is now 19 years old. That's the average age of prisoners, and it's getting younger all the time.

[5:30]

I think this government has got its priorities backwards. It's not interested in helping young people get into the work-force; it's not interested in getting them into apprenticeship programs; and it's not interested in motivating young people to lead meaningful, productive lives. Young kids find themselves hanging around shopping centres, getting in trouble with the police and winding up in our criminal justice system. I think it's high time some of their priorities were altered slightly.

I see the Minister of Education, sitting next to him, is nodding her head in agreement with that.

Hon. Miss Stephenson: What? I just said you were speaking absolute hogwash.

Mr. Warner: You're wrong, she was falling asleep.

Mr. Ziemba: Perhaps some of the cutbacks in education could be adjusted so we spend more money in educating our young people and less money on keeping them in jail.

Hon. Mr. Walker: Mr. Speaker, I might respond to the member for High Park-Swansea and indicate that with respect to the Barrie Jail and the matter of the young lady he brought to my attention and the attention of the House just a moment ago, that particular story came to my attention the day after it happened, I believe. The member was there for a brief visit around October 9, as I understand it.

On October 10 there was a news story in the Barrie Examiner, which I read, and I was as concerned as the member about the manner in which the legal aid certificates and the legal aid applications were being passed back and forth to the legal aid office, which is barely 100 yards away yet the process took nearly five or six days to complete.

I will say that was immediately stopped and an arrangement was made whereby the legal aid office would pick up the completed forms on a daily basis from the Barrie Jail. I'm pleased the member saw fit to bring this matter to the attention of the public, and I can say that so far as I'm aware the matter has been corrected. I wish to thank the member for that.

With respect to the facility, it does suffer a bit, in that it was built about 1854, as I recall. It suffers from the fact it's a facility built and designed for inmates of the day.

I can recall at the unveiling of the historic plaque, back in July, I indicated the cost of looking after a prisoner was 10 cents a day in those earlier times, something that has somewhat changed today. It's now about $50 a day in the Barrie Jail; the price has gone up in that period of time.

To accommodate the increased number of inmates at that facility I would say we are making some significant adjustments. On Monday, October 28, the capacity for the facility was 59 and there were 47 people there. That's a somewhat light number. In the past the figures reflected a much higher number of people than the facility has capacity to cope with. To that end, $1 million is being spent at this very minute for the construction of portable confinement units. There are 32 brand new jail cells being erected on that spot at this very minute. The last assurance I had was they would be ready on December 4 in their final form. In fact the jail cells have been put in place, the only thing we're awaiting now is for the wall to be fully erected around it to ensure some people do not have an opportunity to escape from the services we provide.

The third thing the member raised, I should mention, is the fact the place was a fire trap. I would have to tell the member that's not the case. There is not a great deal in that building that can burn, when you consider the matresses are of flame-retardant material and there is stone everywhere—stone walls, stone floor, stone ceiling—as well as iron bars, iron beds, smoke detectors, fire hoses. Along with the amount of work that has been done with the fire department, as has been recently the case, I think the member would be pleased to know that the facility does stand up to fire qualifications.

Mr. Ziemba: What about the third floor? There are wooden stairs and very poor exits. The third floor, where the women are kept, is a fire trap.

Hon. Mr. Walker: The short of it is that by and large the facility is fairly fireproof, given that even this particular building, along with other places in the province where the public congregates, do suffer from the fact they're old and they can't be perfect from a fire protection point of view. We do the best we can. In that case we're able to contain just about everything, except perhaps, the pigeon droppings, which I'm sure, the member found to be somewhat of a problem. We haven't been able to solve that problem.

Mr. Ziemba: The minister hasn't solved it here either.

Have you had a fire marshal's report about the Barrie Jail?

Mr. Speaker: These aren't estimates in the true sense of the word.

Mr. Ziemba: I know.

Mr. Speaker: The member has an opportunity to speak once on these estimates, and of course the minister has an opportunity to reply. Does anybody else wish to speak?

Resolution concurred in.

OFFICE OF THE OMBUDSMAN

Mr. Nixon: Mr. Speaker, just before these estimates are carried, I wanted to say how pleased most members of the House are, and were, at the conduct of the Ombudsman in the discussion of his estimates. I am told by those who attended that the agreement for supply in that connection was entered into before the time that had been directed toward the debate had elapsed. I feel that all of us, in case he is interested in our views in this connection, are very gratified and pleased; indeed the House was anxious to approve his supply because of the manner in which the estimates were put forward so well by the Ombudsman and his staff.

Resolution concurred in.

OFFICE OF THE ASSEMBLY

Mr. Warner: Mr. Speaker, I'd like to mention first that, while it has been said by other members, I think this is a good opportunity to first make sure we can pass along our praise in print to those people other than the members who make this place function. Certainly the Hansard crew, the clerk's office, and people throughout the entire building who attempt to make our lives a little easier.

I was disappointed, and find it a little difficult to agree with the concurrence in this motion for a couple of reasons. I take it now that the report has been submitted—the Ontario Treasury study on issues and pension policy—that will remove one of the barriers and the lame excuses given by the government

as to why they cannot arrive at some decent pensions for retired MPPs. There are some retired members of this assembly whose pensions, quite frankly, because they did not sit in the cabinet, are pitiful. While the matter was raised during the estimates there was no commitment given that those pensions will be adjusted properly. I, for one, find that rather distasteful.

I'd also like to mention, as I did during the estimates—and again this is one of the reasons I regret passing them—that there was no commitment made to end the double standard around this building. There is one set of rules for the members of cabinet and a lesser standard for those who aren't in cabinet. It goes so far as the insidious operation of having, apparently, two menus in the dining room, one for the cabinet and one for everyone else. The one for the cabinet, of course, is a slight tinge better.

Hon. Miss Stephenson: Where are there two menus?

Mr. Foulds: It's in keeping with their salaries.

Mr. Warner: But it also goes so far as to the use of this building, and I don't understand it. It continues to amaze me how it is, after reports of the members' services committee, that we do not have all of the rooms in this building under the direction of the Speaker; that still the double standard exists, that some rooms are reserved for members and others for the cabinet.

Mr. Kerrio: Once you form the government you get these little goodies.

Mr. Warner: Room 228 is a good example. The members of the assembly require additional committee room space; but try to get that space! That room, which really should be designated as a committee room, remains under the control of the government. The double standard will continue, just a little better treatment for the cabinet members than for the remaining members of this assembly, and I object to that.

I guess where it really bothers me is that on occasion I have heard the Premier (Mr. Davis) say, and rightly so, he's the member for Brampton and he has a responsibility to represent his constituents. I agree with that. But that brings me back to the principle that many of us have spoken about on many occasions, that each one of us is a member representing a riding, and each one of us, surely, should be treated in an equal fashion.

It doesn't happen around this building. It never has, and as long as that gang's in power it won't.

Mr. Ashe: You won't have that problem much longer; don't worry about it.

Mr. Kerrio: How about sending that Liberal around, Bud?

Mr. Warner: We realize the Family Compact is alive and well and occupying some front-row benches over there. I guess it will for some time. But their day will come, and at that point one of the things that has to be done is that this building comes under the Speaker in an effort to try to treat each member equally.

I participated in the estimates for the Office of the Assembly and it's with personal regret that we passed them. There are a lot of problems to be resolved. The problems which remain do not exist for any lack of effort on the part of the Speaker. In my humble opinion, the Speaker has offered to try to make this place a more equal place for the members and to treat each one of us equally.

Just in passing, and it comes under the assembly, in the last parliamentary association conference which has just concluded, a member from another jurisdiction mentioned to me that he was shocked to think there were contract employees in this building and that each employee in here did not enjoy the protection of a collective agreement.

Mr. Ashe: It wouldn't have been an NDP member, would it?

Mr. Warner: I had to tell him, "You think things are bad now. A few years ago they were even worse." They've improved marginally, but that is a problem in this building. It's unfortunate there are employees who are on a contract basis and there are employees who do not have the protection of a collective agreement. That's obviously a wrong that needs to be righted.

Having made those remarks I will, with some regret, agree to the concurrence.

Mr. Nixon: There are one or two matters that come to my mind in connection with this vote. The first one was raised by the member for Scarborough-Ellesmere having to do with the pensions provided by this House and from the Treasury of the province for retired MPPs.

One of the problems is that there is such a disparity in the amount of pension payable to the individuals who have retired that a straight approach by way of a percentage increase is almost impossible. The figures are public, of course, as to the pension being paid. It is true that some of the pensioners, either through long service or service of a shorter period but at a higher emolument,

that is a period of being a cabinet minister, have very high pensions indeed.

[5:45]

It is also true some of those people retiring from the provincial Legislature have been fortunate in acquiring very lucrative additional employment with government agencies. One might think of the chairmen of a number of our various boards and commissions and appeal boards. These people, who are former members of the Legislature, former cabinet members and former members of the opposition, have pensions consonant with long years of service or special additional payment by virtue of being cabinet ministers, and now have large salaries as chairmen or officers of agencies. In many instances they have their own cars and drivers and so on. It appears unfair, and I support the contention, that a flat rate per cent of increase be applied to them all.

That means taking a different approach to the increases. The difficulties associated with that are obvious as well. I would hope the power and authority looking after these matters, which is partly that of the Board of Internal Economy, will be able to move in a fair and equitable way to solve the problems the honourable member referred to.

The other problem which has been brought to my attention has been the fact that with the interjectionists removed from the floor of the House and replaced by the electronic devices we have, there is some indication Hansard has lost some of its former completeness and effectiveness.

I bring to your attention Mr. Speaker, specifically the report of the business of the House on Tuesday last, when I believe a motion of the government for an amendment of a bill was defeated. Try as I may, when I read the Hansard report of what happened that night, when there were both voice votes and recorded votes, it is impossible to determine in the official record by Hansard what occurred.

I have mentioned to you personally, Mr. Speaker—not in this specific instance—the fact that some of my colleagues felt the interjections, and in this instance the actual business of the House, was not recorded in Hansard in a coherent and complete way. I wanted to pass on to you the concern of myself and some of my colleagues that without an interjectionist our records are perhaps not as true, complete and useful as they were previously

An hon. member: Nor as humorous either.

Hon. Mr. Gregory: Mr. Speaker, I would like to make a comment or two in regard to some of the comments made by the honourable members, the member for Brant-Oxford-Norfolk and the member for Scarborough-Ellesmere.

I tend to share the remarks of the member for Brant-Oxford-Norfolk that Hansard seems to have lost something by the interjections being removed or else not accurately identified. Some of these things have come to me, and my opinion was asked whether I said them. Obviously I didn't say them and I know I didn't. We are getting to a point now then where I suppose a member in the House can admit only to those things which he isn't sorry he said.

My personal viewpoint would be that I hope we can bring back the reporters who took care of them. There is more than one reason for that too, isn't there, Pat?

Mr. T. P. Reid: Yes.

Hon. Miss Stephenson: At least two.

Hon. Mr. Gregory: At least two. That would be my viewpoint. I would hope we can accommodate this because I do feel Hansard has lost something by the removal of this particular service.

The member for Brant-Oxford-Norfolk also mentioned pensions for retired members. I too am sitting on the Board of Internal Economy, along with yourself, sir, and that member. I have been somewhat curious about the pensions of some of the retired members from long past.

I don't know how to improve the situation. As the honourable member mentioned earlier, it would be difficult to do it with a blanket increase because the lower-paid tend not to benefit as much as the higher-paid. However, to do otherwise would mean a full review of past pensions.

Some hon. members: Hear, hear.

Hon. Mr. Gregory: I hear members from the third party saying "Hear, hear." I really don't know whether the economy of this province or this country could accommodate the reviewing of everybody's pension, and surely we would have to do that. If we are going to talk in terms of members' pensions we must then, of necessity, in order to accommodate that viewpoint, go back and review the pensions of all public servants for ever and a day.

Mr. Warner: Don't, don't. Keep going. That really is—

Interjections.

Hon. Mr. Gregory: It might well be. The honourable member might not agree with my—

Mr. Warner: Some of your own retired members.

Hon. Mr. Gregory: That is a very good reason, Mr. Speaker, for keeping girls out of here, because that type of interjection really shouldn't be in Hansard anyway.

Mr. Nixon: You sound like Khruschchev.

Hon. Mr. Gregory: The member for Scarborough-Ellesmere made some mention of the menu for cabinet ministers in the cabinet dining room. I haven't heard anything quite so asinine as that. If the menu is better then I don't know how we can get worse. Frankly, my opinion is that the menu in neither section is good. If there is a difference between the cabinet ministers' dining room—

Mr. Philip: It's an awful lot better than it was.

Hon. Mr. Gregory: —and the regular members' dining room—

Mr. Warner: How would we know? We're not allowed in there.

Hon. Mr. Gregory: —it's the quality of the people who are in there, that's the only improvement.

Mr. Warner: I'm not allowed in there, how would I know?

Hon. Mr. Gregory: No, the member is not; he is not.

Mr. Ashe: He won't have to worry about it either.

Hon. Mr. Gregory: I don't think he ever will be. The point is the food is identical. I don't know where he got that story from.

Mr. Warner: Invite me to the dining room.

Hon. Mr. Gregory: Since the member has never been in there, I don't know how he can comment that it is better food.

Mr. Warner: I didn't say that.

Mr. T. P. Reid: Because you people all are fatter than we are.

Hon. Mr. Gregory: That never stopped the member before, right.

Interjections.

Hon. Mr. Gregory: Maybe that's a comment on the quality of the person rather than the food.

An hon. member: With some notable exceptions.

Hon. Mr. Gregory: One other mention was made by the honourable member, who really doesn't know his facts about too much these days. He mentions that he wants room 228 as a committee room. He already has it.

Mr. Ashe: It already is. Room 228 is a committee room.

Hon. Mr. Gregory: I think he should check his numbers.

Mr. Warner: It's under the Speaker?

Hon. Mr. Gregory: Room 230 is not a committee room, okay?

Mr. Warner: Is room 228 under the Speaker?

Hon. Mr. Gregory: Yes—no, wait a minute.

Mr. Warner: It is not, it is not.

Hon. Mr. Gregory: That's right, it isn't, but it is used as a committee room.

Mr. Warner: Point of order, Mr. Speaker: I gather we are trying to deal in facts here. Room 228 does not come under the Speaker.

Mr. Nixon: But it is his decision.

Mr. Warner: It still belongs to Government Services.

Hon. Miss Stephenson: But it is used as committee room.

Mr. Warner: It may be used as a committee room—

Mr. Nixon: You are both wrong.

Mr. Warner: —but it's at the whim of Government Services. It should be under the Speaker. That was my point.

Hon. Mr. Gregory: Mr. Speaker, with due respect, it must have been the whim of the government to allow the NDP to have their party in there last Christmas. Is that right?

Interjections.

Hon. Mr. Gregory: I see, then the honourable member can't be too unhappy about that, I assume.

Mr. Warner: It was an excellent party.

Mr. Kerrio: It was a pretty good party too, Bud.

Hon. Mr. Gregory: Whether in fact that room comes under the Speaker, yourself, sir, or under the Minister of Government Services (Mr. Wiseman), I am quite sure that no one has been deprived of its use at any time. It might offend the honourable member to have to ask, but that is just tough.

Mr. Warner: You just don't understand.

Mr. Kerrio: Why doesn't the minister just invite David to lunch and put a stop to all this?

Hon. Mr. Gregory: Oh, dear, in the ministers' dining room?

Mr. Kerrio: Wherever.

Hon. Mr. Gregory: Mr. Speaker, I would like to comment, I would like to share one thing or agree with the member for Scarborough-Ellesmere on one thing and that, sir, is your particular activity as Speaker. I think we in the House owe a lot to you.

You've restored some equilibrium; not all, but some. I do appreciate that.

My final comment would be to say to the member for Scarborough-Ellesmere that thank heavens we still have some contract employees here. If we ever get to the point where all our secretaries are organized like his are and we get into the same sort of problems, then I wouldn't want to be here any more.

Mr. Warner: We do not have problems, thank you. You delight in taking advantage of employees.

Hon. Mr. Gregory: That's why they are so happy.

Mr. Warner: Those are the ones who have never met you.

Mr. Kerrio: What else are they going to say? Sad.

Mr. Speaker: Order.

Mr. Foulds: The last speech that we have just been treated to in this chamber indicates what happens when a man is artificially raised to the rank of cabinet minister. We have had a number of comments that I think were inappropriate.

Hon. Miss Stephenson: Somebody artificially raised you to the rank of member at one point.

Mr. Foulds: The people of Port Arthur riding did that, not the Premier, thank goodness.

Interjections.

Mr. Foulds: There are a number of points I would like to make. First of all, I would like to concur with the remarks that have been made on all sides of the House. I would like the Speaker and his office to review the matter of the interjectionists. I was particularly struck by the example the member for Brant-Oxford-Norfolk used from last Tuesday night. It was particularly true. When we reviewed the instant Hansard the following day, it would have been virtually impossible to determine what happened, even though at the time the Deputy Speaker and the Chairman of the House handled the matter, I thought, exceedingly correctly. The procedure which was followed in taking the vote and the subsequent follow-up of that was all properly and expeditiously done in the House. There wasn't any report of that in the instant Hansard the following day, so there was some confusion about what actually occurred.

Also, although a number of members would refrain from mentioning it, I think the aesthetic tone of the House would increase considerably if the interjectionists were reintroduced to the actual assembly.

Mr. T. P. Reid: Isn't that a little chauvinistic?

Mr. Foulds: I want to speak very briefly about room 228 because I believe room 228 should be under your purview and under the purview of the assembly; it should not be at the discretion of the cabinet or the government when that is used either for a party by one of the opposition parties or as a committee room. It should be available full-time as a committee room and should be under the discretion of the Speaker.

Finally, I just want to mention the matter of pensions. I think the arguments put by the previous speaker are totally inappropriate. Surely if the government is reviewing all pensions and pension plans in the province through a royal commission—about which we heard some remarks earlier, evidently pensions both in the private and the public plan are under review—surely the pensions paid to former members should also be under public review and the very sensible and humane suggestions made by my colleague from Scarborough-Ellesmere should be followed. It's a pity he has to stand up for the right of some retired government back-benchers.

Thank you, Mr. Speaker.

Mr. Speaker: I want to remind all honourable members that the standing orders under which we operate in the House precludes the Speaker from getting involved in any of the debate. However, there is one thing that has been brought to my attention that deals specifically with the reporting of proceedings in this House, and I want to assure members I will investigate and get back to them because I think that is my responsibility.

Shall these estimates be concurred in?

Resolution concurred in.

The House adjourned at 6 p.m.

APPENDIX

(See page 3932)

ANSWERS TO QUESTIONS ON NOTICE PAPER

PUBLIC OPINION POLLS

299. Mr. Peterson: Has the ministry within the past six months commissioned polls with respect to education, hydro affairs and lotteries? If so, what is the cost of such polls, will the results be tabled in the House? (Tabled October 15, 1979).

Hon. Mr. McCague: With regard to the first two subjects, the answer is no. The Ontario Lottery Corporation has participated in one poll in the last six months. The corporation subscribed to the Ontario Gallup Omnibus Study in June 1979. The cost was $10,100. It is not usual for the corporation to publish the results of such polls because of the marketing considerations involved.

ASSISTIVE DEVICES

307. Mr. Breaugh: Would the Provincial Secretary for Social Development state when the committee on assistive devices was established? Who are the members of this committee? How often has it met? Would the minister table the report on the payment of prosthetic and orthotic devices in Ontario? (Tabled October 16, 1979).

Hon. Mrs. Birch: The committee on assistive devices has recently been established. It includes representatives from the Provincial Secretariat for Social Development, the ministries of Health and Community and Social Services and the Workmen's Compensation Board and has met on three occasions to date. This committee is using the internal working document as a base document in its deliberations and will be reporting to cabinet committee on social development during 1980.

MULTICULTURALISM COUNCIL

313. Mr. Grande: Will the ministry responsible summarize the recommendations of the Ontario Advisory Council on Multiculturalism, pointing out recommendations that have been accepted and why, and recommendations that were rejected by the government and why? (Tabled October 16, 1979).

Hon. Mrs. Birch: Additional time is required to prepare a summary of the recommendations of the Ontario Advisory Council on Multiculturalism. A response will be forwarded to cabinet office on or about November 2, 1979.

LANGUAGE SKILLS

318. Mr. Grande: Will the ministry responsible table a summary of the third language skills on Ontario government employees, under the headings: 1. Ministry; 2. Number of full-time employees; 3. Number of full-time employees who speak one third language; 4. Number of full-time employees who speak two to five languages other than English and French; 5. The position held in the ministry by each of the employees fluent in a third language; 6. Total number of third languages spoken in the ministry? Will the minister provide the information for every ministry in government? (Tabled October 16, 1979.)

Hon. Mr. McCague: The information regarding a summary of third language skills on Ontario government employees will require some time to compile. This information should be available on or about January 14, 1980.

CONTENTS

Monday, October 29, 1979

Career Week, statement by Mrs. Birch 3917

Canada Metal Company Limited, statement by Mr. Parrott 3917

Royal Agricultural Winter Fair, statement by Mr. Henderson 3918

Point of privilege re public housing, Mrs. Campbell 3919

Interest rates, questions of Mr. Davis and Mr. F. S. Miller: Mr. S. Smith, Mr. Cassidy .. 3919

Teacher-board disputes, questions of Mr. Davis: Mr. S. Smith, Mr. Conway 3922

Health service charges, questions of Mr. Timbrell: Mr. Cassidy, Mr. Conway, Mr. M. N. Davison 3923

Eldorado Nuclear Limited, questions of Mr. Grossman: Mr. Cassidy, Mr. Nixon, Mr. Wildman 3925

Public housing, questions of Mr. Davis and Mr. Bennett: Mrs. Campbell 3926

WCB Report, questions of Mr. Davis and Mr. Timbrell: Mr. M. Davidson, Mr. McClellan 3927

Court backlogs, questions of Mr. McMurtry: Mrs. Campbell 3927

Glanbrook landfill site, questions of Mr. Parrott: Mr. Isaacs, Mr. Cunningham 3928

Child abuse, questions of Mr. Norton: Mr. O'Neil 3929

Canada Metal Company Limited, questions of Mr. Parrott: Mr. Renwick 3930

Chicken imports, questions of Mr. Henderson: Mr. G. I. Miller, Mr. Riddell 3930

Report, standing administration of justice committee, Mr. Philip 3931

County of Simcoe Act, Mr. G. Taylor, first reading 3932

City of Hamilton Act, Mr. Mackenzie, first reading 3932

City of Sarnia Act, Mr. Blundy, first reading 3932

Tabling answers to questions 299, 307, 313 and 318 on Notice Paper, Mr. Wells 3932

Presentation to minister, Mr. Yakabuski 3932

Estimates, Management Board of Cabinet, concluded, Mr. McCague 3932

Concurrence in supply, Ministry of Correctional Services 3951

Concurrence in supply, Office of the Ombudsman 3953

Concurrence in supply, Office of the Assembly 3953

Adjournment 3957

Appendix, answers to questions on Notice Paper 3958

Public opinion polls, questions of Mr. McCague: Mr. Peterson 3958

Assistive devices, questions of Mrs. Birch: Mr. Breaugh 3958

Multiculturalism council. question of Mrs. Birch: Mr. Grande 3958

Language skills, questions of Mr. McCague: Mr. Grande 3958

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Bennett, Hon. C.; Minister of Housing (Ottawa South PC)
Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Bradley J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Bryden, M. (Beaches-Woodbine NDP)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Davison, M. N. (Hamilton Centre NDP)
Edighoffer, H.; Chairman (Perth L)
Foulds, J. F. (Port Arthur NDP)
Germa, M. C. (Sudbury NDP)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Havrot, E. (Timiskaming PC)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Isaacs, C. (Wentworth NDP)
Kerrio, V. (Niagara Falls L)
McCague, Hon. G.; Chairman of Management Board; Chairman of Cabinet (Dufferin-Simcoe PC)
McClellan, R. (Bellwoods NDP)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Miller, G. I. (Haldimand-Norfolk L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
O'Neil, H. (Quinte L)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Philip, E. (Etobicoke NDP)
Pope, Hon. A.; Minister without Portfolio (Cochrane South PC)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Roy, A. J. (Ottawa East L)
Ruston, R. F. (Essex North L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D.; Acting Chairman (Scarborough-Ellesmere NDP)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)
Williams, J. (Oriole PC)
Yakabuski, P. J. (Renfrew South PC)
Ziemba, E. (High Park-Swansea NDP)



No. 95

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, October 30, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

TUESDAY, OCTOBER 30, 1979

The House met at 2 p.m.

Prayers.

STATEMENT BY THE MINISTRY

TEACHER-BOARD NEGOTIATIONS

Hon. Miss Stephenson: Mr. Speaker, I am pleased to announce today the establishment of a commission under the Education Act, section 9, to review the collective negotiation process between teachers and school boards.

The School Boards and Teachers Collective Negotiations Act has been in force since July 18, 1975. Before that time, there was uncertainty and disruption in teacher-board relationships. A decision of the court was required to confirm the rights of teachers to withdraw their services. The act, when introduced, provided for the first time a legally defined, equitable and reasonable framework within which teachers and trustees could pursue their goals through the collective bargaining process.

The act has improved that process in many ways. It has unquestionably reduced the number of occasions when a breakdown in negotiations has led to strikes and other sanctions. In the three years before the passage of the act, there were 28 cases which would now be defined as strikes or lockouts. In the four years since the act was passed, there have been over 900 settlements, with only 18 strikes or lockouts.

In our society there are basic rights to collective bargaining, and there is no question of compromising those rights in the case of teachers. However, like all policies of government, the act and the process it engenders should be periodically reviewed.

An internal review by ministry officials has indicated certain technical problems in the present act for which alternative arrangements should be considered. But, in addition, there are broader considerations relating to the basic rationale of the collective negotiation process, as it is now conducted, that have been consistently raised whenever the act has been discussed and which are of continued concern to the parties in the negotiation process and to the general public.

For this reason, I have felt that a commission should be established to examine the collective negotiation process as it has developed under the present legislation.

The government has been fortunate in being able to secure the services of an outstanding group of commissioners. The chairman of the commission will be Dr. B. C. Matthews, the president of the University of Waterloo. Serving with Dr. Matthews will be Dr. Roderick Fraser of the department of economics of Queen's University and Dr. John Crispo of the faculty of management studies of the University of Toronto. Mr. W. C. VanderBurgh, the recently retired director of the Ministry of Education's former supervisory services branch, will act as secretary to the commission.

Mr. McClellan: Always Crispo.

Hon. Miss Stephenson: The terms of reference for the commission are these: Upon completion of its review and inquiry, the commission shall recommend measures that the government should consider in relation to collective negotiations for teachers employed in elementary and secondary schools, having in mind the general public good and the rights of teachers to just and equitable remuneration and conditions of employment, and include in the report a response to the following specific issues:

Whether negotiations between school boards and teachers should continue on the basis now provided under the School Boards and Teachers Collective Negotiations Act, 1975, and, if so, what changes, if any, should be made to facilitate the operation of the collective bargaining process in the light of experience to date;

Whether negotiations should be conducted on some other basis and, if such other bases are recommended, who should be the parties to the negotiations, and the manner in which the negotiation process should be carried out;

Whether elementary and secondary school teachers employed by a board of education should negotiate separately or together;

What restrictions, if any, should be placed by legislation on the items that may be included in collective agreements between school boards and teachers; and

Whether the sanctions available under the School Boards and Teachers Collective Negotiations Act, 1975, are appropriate or whether they should be defined in greater detail.

The commission shall also consider and make recommendations as to what relationship should exist between the collective agreement and the individual teacher's contract.

It should be noted that the commission will be examining only the collective negotiation process between teachers and school boards. Its recommendations, if acted upon, may have implications for the collective negotiation process as it now applies to colleges of applied arts and technology and to the Provincial Schools Authority. If this is the case, the policy in these areas will be reviewed by a separate process.

The commission to review the collective negotiation process between teachers and school boards has been charged to inquire into and report to the Minister of Education upon the matters outlined in its terms of reference and, in so doing, to take into consideration the results of the Ministry of Education's internal review of the act and to invite and take into consideration written submissions and oral presentations related thereto from the Ontario School Trustees' Council and its member associations; the Ontario Teachers' Federation and its affiliates; the Education Relations Commission; officials and others who have been involved in collective negotiations between teachers and school boards; and other individuals or organizations the commission may feel may facilitate its work and, for this purpose, hold meetings in Toronto and one location in each of the Ministry of Education administrative regions as may be judged necessary and convenient by the commission.

The commission will report as soon as practicable. I hope that it will be no later than the spring of next year. The commission's report will be published by the ministry. The schedule of work and hearings, the budget and the location of the commission's offices have not yet been established but will be announced as soon as possible.

The public and the educational community, as well as the government, will look forward with great interest to the recommendations of the commissioners and will, I know, extend the fullest co-operation in facilitating their work. For this work, which I know will involve considerable personal dedication on the part of each of the three commissioners, I thank them in advance.

ORAL QUESTIONS

GAS AND OIL PRICES

Mr. S. Smith: Mr. Speaker, I would like to address a question to the Premier (Mr. Davis) arising from the speech by Premier Lougheed in Vancouver yesterday. I certainly have no desire to escalate the war of words which has developed between the Premiers of Alberta and Ontario, but there is a very specific question I feel should be asked.

Does the Premier agree with Mr. Lougheed's claim that the government of Alberta has the constitutional right and power to set the price of Albertan oil entering into interprovincial trade? If, as I hope, the Premier does not agree, will he accept Mr. Lougheed's challenge to take the matter to the Supreme Court of Canada, by asking the government of Canada to submit a constitutional reference to that court on the issue?

Hon. Mr. Davis: Mr. Speaker, I didn't hear Premier Lougheed's speech yesterday, of course, and I gather only from the press reports, that some of these observations were made, not in the context of the speech, but at a press conference afterwards. As I say, that is my impression with respect to some of his observations.

I already made a comment last evening on this matter, and I recognize the Leader of the Opposition (Mr. S. Smith) doesn't want to escalate this debate. I am always appreciative of his moderation here in this House, even though when he departs from these premises he does his best to escalate this debate. I think it is really very presumptuous of him to say that he doesn't want to escalate the debate, when he spent a good part of the weekend doing just that. That is just a casual observation.

Mr. Bradley: So far no answer.

Hon. Mr. Davis: However, in a more specific reply to the question, Mr. Speaker, knowing that at any moment you will suggest I am not answering the question—

Mr. Breithaupt: Any moment now.

Hon. Mr. Davis: I would say to the member for Kitchener, if he is patient, I will get to it, but I really think it is just a little bit hypocritical for the Leader of the Opposition to say he doesn't want to escalate, after the things he has been saying. Let's be frank with one another. Why don't we say the same things in this House as we are prepared to say outside the House?

Mr. Speaker: I think the preamble has been equal on both sides. Let's get on with the question.

Hon. Mr. Davis: I think you are quite right, Mr. Speaker.

Our point of view has been that under the constitution of this country, and I guess it was on the basis of the existing impression of the law that the federal legislation was passed, no producing province—let's not just single out Alberta—no single province unilaterally can set the price.

The hypothetical question of testing this in the courts is very premature. I don't think it is something that needs to be considered at this time because, as I understand what Premier Lougheed said, he made these observations on the basis of no agreement being concluded. I think he said, "If there isn't an agreement this winter—"

Just to refresh the memory of the Leader of the Opposition, the agreement is in place. The agreement includes the January 1, 1980, price increase, which is already established at $1 per barrel. Sometimes people forget that, but that is the existing agreement. It would be very premature to indulge in speculation prior to the first ministers' meeting, to discuss this issue. I certainly don't intend to escalate, unnecessarily, the debate or the rhetoric.

As I observed last night, I would find it regrettable in a country such as ours if any head of government said, "If things don't go totally my way, I am not going to play the game any more." I think that would be unfortunate. It is an attitude this province has never adopted.

The advice of this province, or our point of view, has not always been accepted in these matters, but when decisions are made, we try to make them work in terms of the provincial interest as well as in the national interest. I hope this will be the frame of mind of those who attend the first ministers' conference, dealing with this very sensitive and very difficult issue.

Mr. S. Smith: By way of supplementary: Since the Premier of Alberta made it very clear, according to reports of his speech yesterday, that in the absence of an agreement with the federal government he felt Alberta had the right to set its own price for the commodity in question; and since he specifically challenged Ontario, if Ontario disagreed with that interpretation, to obtain a ruling from the Supreme Court of Canada, will the Premier explain why he seems unwilling to do so?

Since this is going to be a recurring theme with every OPEC price increase, and as every negotiation continues, why would he not get the matter settled once and for all so that Premier Lougheed will have a better understanding of what the constitution of Canada provides?

[2:15]

Hon. Mr. Davis: I don't know whether the Leader of the Opposition is trying to make work for the legal profession in this province or not, but he demonstrates in that kind of question—not the kind, but the question in particular—his lack of maturity and understanding of what this process is all about.

I am really totally amazed that he would say this province within Canada should take to the Supreme Court a reference on an issue that is in the process of negotiation, where the government of Canada is endeavouring to reach an agreement with the producing provinces, to further escalate and be totally divisive within this country.

I say to the Leader of the Opposition he is doing his party, the people of this province and this nation no credit by making that suggestion at this time. I have no intention of taking this to the Supreme Court at this moment. I have my own point of view as to what the law may be.

I would say to the Leader of the Opposition, if he has any sense of this country, if he has any feeling for the consumers of this province, if he has any feeling for our degree of involvement in this discussion, that kind of question is very, very silly; very silly.

Interjections.

Mr. Cassidy: Supplementary, Mr. Speaker: In view of the mounting concern of citizens of this province at the statements that have been made by the Conservative Premier of Ontario, the Conservative Premier of Alberta, and the Conservative Prime Minister of this country, have there been any contacts or communications at a more private and perhaps less battling level among those three protagonists in this particular question in order to seek a resolution which will protect Ontario's consumers and Ontario's industries against the effects of very rapid increases in oil and gas prices over the course of the next two years?

Hon. Mr. Davis: Just to keep the record straight, Mr. Speaker, I should point out to the leader of the New Democratic Party that there are a lot of Premiers interested in this, including the New Democratic Premier of Saskatchewan, who also has a point of view and who traditionally has been in support in terms of the principle of world price. On distribution he has a different attitude. I fully recognize this. In fact, in many respects the point of view of the Premier of Saskatchewan with respect to distribution of the income from those dollars is not inconsistent in some

respects, not totally, with some of the points we have presented.

Mr. MacDonald: It was the other way around. You are duplicating him four years afterwards.

Hon. Mr. Davis: But don't oversimplify it by saying Alberta is the only producing province. This principle also applies to the New Democrat-led province of Saskatchewan; so don't try to isolate that great province from this discussion.

I would say to the leader of the New Democratic Party—and I hope I have made it very clear—there are no behind-the-doors negotiations. Ontario has never been part of a negotiation. We are not part of an agreement. There have been discussions; there have been representations made and made very vigorously. But my point has been, continues to be and I am insisting on it, that this discussion which is fundamental to this country—it is important to the consumers; to the economy; it's important to everybody—be held at a first ministers' meeting and the meeting be in public so that the whole country and, from my standpoint, this province will understand exactly what it is we are saying on this particular issue.

In my view, I would be very disappointed if—and I'm almost sure it won't—this solution or a solution were found in something other than a public forum, or certainly not until after a first ministers' meeting in public has been held. This is the point of view I have continued to express and I haven't changed my mind.

Mr. S. Smith: Mr. Speaker, would the Premier kindly explain why it is that a suggestion that this very real difference in the interpretation of the constitution be referred to the Supreme Court for a sober and realistic analysis of the matter is somehow less desirable in his mind than a continuing war of rhetoric across this continent and across this country between the two Premiers in question?

Why does he find something so objectionable about letting the Supreme Court deal with this admittedly vexing constitutional question, which could clear up, at least in Premier Lougheed's mind, certain powers he thinks he has? Why would that not be a reasonable and Canadian thing to do, as opposed to the notion of continuing the inflammatory rhetoric as is currently the case?

Hon. Mr. Davis: Mr. Speaker, I take the Leader of the Opposition back a little bit in history, and memories are very short. While I am not one to indulge in rhetoric, not to any great extent—

Interjections.

Hon. Mr. Davis: Well, I tell you, I don't indulge in it any more than the member for Welland-Thorold (Mr. Swart).

Mr. Swart: You can't say that with a straight face.

Hon. Mr. Davis: I don't indulge in much rhetoric, Mr. Speaker. I can only say that some of the things being said are not dissimilar to those things that were said in 1974-75. The fact of the matter is that as a result of the debate that took place and of the discussions and the things that were said by the Premiers of the producing provinces, and by the Premier of this province, an agreement was reached between the producing provinces and the government of Canada.

In other words, what I am saying is, all of this is not that new. It may have been escalated somewhat, but a lot of it is not new. If the Leader of the Opposition will try to recall something else; if he can give me a bit of his attention without getting legal advice from the member for Kitchener, I would make this observation to him as well: One perhaps could get a determination from the Supreme Court on this issue, but that isn't going to put the issue to bed. This is one of the concerns expressed by other first ministers with respect to any consideration of constitutional reform, because the Supreme Court may or may not make a ruling.

I happen to be one of those in this country who thinks, and I would hope this view is shared by some members opposite at least, that part of the long-term solution has to be by way of some constitutional change. The resource industry, in terms of the question of resource responsibility or the question of control of resources, is going to continue to be one of those fundamental areas of discussion. If the Leader of the Opposition thinks a decision from the Supreme Court, which may or may not resolve this issue, is going to deal with the broader issue, then I have to say he is more naive than he pretends to be.

I just repeat, because this is an important issue: To suggest we pre-empt everything and take this to the Supreme Court to see whether our feeling on the law is right, or the Premier of Alberta's feeling on the law is right, in the midst of the debate that is going on with a scheduled first ministers' meeting, I think is not only premature, I think it is immature, by way of a suggestion from the Leader of the Opposition.

Mr. Renwick: Mr. Speaker, is the Premier saying that these issues at this time transcend

legalism and go to the heart of a working federalism? Is that what he is saying?

Hon. Mr. Davis: Mr. Speaker, the member for Riverdale on the odd occasion can put things in more simplistic fashion than I can —not often—but in fact he has said in a very simple way what it has taken me a moment or two longer to explain to the Leader of the Opposition.

REVIEW OF BILL 100

Mr. S. Smith: I hate to interrupt the love-in here, Mr. Speaker, but I have a question for the Minister of Education (Miss Stephenson). Will the minister table the results of her ministry's internal review of the act which is going to be further reviewed by the commission she has announced today? Since one of the purposes of the information-gathering exercise by the newly-appointed commission will be to take into consideration that internal review, and there will be many people invited to give submissions to this commission, surely we all have to know what the internal review says if we are to make intelligent submissions to the commission that's looking at it. When will we see the internal review?

Hon. Miss Stephenson: Mr. Speaker, I am not at all sure that condition is required for all groups interested in making submissions to the commission. However, that information will be available to the members of the commission during the term of their existence and it will be published, I believe, in all of the documentation along with the report of that commission at the time it reports.

Mr. S. Smith: Well. Can the minister give one possible reason—

Mr. Hennessy: Well, well!

Mr. S. Smith: The member for Fort William is here today. I am sorry. We missed him in the past. It's good to see him. When I use four-letter words like "well," he understands every one of them. He is right on the bit.

Would the minister explain to the House—given the excellent commitment to open government which I am sure she shares—why the internal review of this bill is being kept secret until the commission has made its report public? What conceivable reason can there be for that, even in the minds of people as suspicious as some of the members of the cabinet?

Hon. Miss Stephenson: I do not believe the minds of my colleagues in cabinet are suspicious in the way in which the Leader of the Opposition has suggested. But the statement was made in April of this year that we would be carrying out an internal review of the history of the bill and the experience under it; when that was completed, we would make a decision about whether an external review commission would be appointed. At that time it was decided the internal review would be supplied to the external review commission for its examination. The Leader of the Opposition, I am sure, will be delighted to have a copy of that internal review as a part of all the published material when the external commission reports.

Mr. S. Smith: Why not now?

Hon. Miss Stephenson: Because he doesn't need it.

Mr. Foulds: Mr. Speaker, a supplementary: Can the minister explain what justification she and her cabinet has for denying this information to members of the Legislature and the public? What has she got to hide? Why doesn't she table it?

Hon. Miss Stephenson: Mr. Speaker, I have nothing to hide. The decision was made some time ago, and that decision will be carried forward. The members of this House will have that documentation at the time the review is completed.

Mr. Sweeney: Mr. Speaker, a supplementary: Could the minister explain why the internal review had the same time line as she is now giving to the external review? If during that period of time we come up with these same questions, what were they doing? What's in that thing?

Hon. Miss Stephenson: Mr. Speaker, the internal review does not have the same time line. The internal review was begun in April. It was completed in midsummer. We reviewed it thereafter and made the decision to appoint the external commission, and that has been carried out.

The primary content of the internal review relates to technical points within the legislation which the internal review committee felt should be drawn to the attention of the external review committee and should provide for some technical amendments in the legislation. It also raised questions about some broader issues, but made no recommendation about those at all. That documentation will be available to the members of this House in due course.

Mr. Nixon: Who are you protecting?

OHIP FEE SCHEDULE

Mr. Cassidy: Mr. Speaker, I have a question to the Premier. Will the Premier confirm that the government negotiators who are discussing the new Ontario Health Insurance Plan fee schedule have offered the Ontario

Medical Association an overall increase of 11.24 per cent in the OHIP fees, with 15 per cent for general practitioners and a nine per cent increase for specialists? Is it the case that the OMA has refused to accept that offer? How does the government justify offering doctors an average of 11 per cent when health-care workers have been getting increases of six to eight per cent and this government has held hospitals to an increase of 4.5 per cent?

Hon. Mr. Davis: Mr. Speaker, in that the negotiations have not been completed—they are still going on—I think it would be wise not to comment.

I am sure the Minister of Health (Mr. Timbrell), at such time as the negotiations are completed, will be delighted to give a full report to the members of the House. But my understanding, as of yesterday at least, is that negotiations are still continuing.

[2:30]

Mr. Cassidy: Supplementary: Given that the doctors are accounting for $1.25 billion or 30 per cent, of the health budget this year, and given that both hospital workers and hospitals have to negotiate in public, surely this is a matter of public interest. Will the government instruct its negotiators not to offer more to doctors than the government is prepared to see in increases for health-care workers in Ontario?

Hon. Mr. Davis: Once again, I'm not an expert in terms of hospital-employee negotiations. Certainly the ultimate results are public, but my impression was that a lot of these negotiations were not held in public. They were negotiated, as are so many discussions in this field, somewhere other than in the public forum.

In fact, I don't recall many discussions being in public. The leader of the New Democratic Party can enlighten me but that's not my recollection. Certainly it's not true in other fields of negotiation. The few that I did get involved in, I can tell him right now, were anything but public. They were at the Royal York Hotel; they were in my office; they were in many places, but not in public.

I would just reiterate to the leader of the New Democratic Party that, when a negotiation has been concluded, the minister will obviously inform the House. But during the process of negotiations it would be unwise to discuss or debate them here. He will have his chance on that occasion.

Mr. Cassidy: In order to avoid a double standard in Ontario, will the government instruct its negotiators not to give more favourable treatment to doctors than is being given to hospital workers in the province? Will the government also insist as part of negotiation that doctors agree not to continue extra billing but, in fact, to have one price for medical care in Ontario?

Hon. Mr. Davis: I'm always delighted to have the point of view of the leader of the New Democratic Party. I must confess I don't always agree with it. I guess if I were honest, I would say I rarely agree with it. I just have to tell him—

Interjections.

Hon. Mr. Davis: Surely I'm entitled to my own point of view. I mean, they never listen to mine. They never pay any attention to my point of view.

Mr. Foulds: With good reason.

Hon. Mr. Davis: However, I just repeat, for the third time—the member knows something about negotiations; if he doesn't, some members of his party do—I think it would be very unwise for me to comment on the state of the negotiations, on exactly what is being discussed at this precise moment. I have no intention of doing it. Maybe the member can tell me of other areas of negotiation where it has been helpful if we've debated it here in the House in the midst of negotiations.

GAS AND OIL SUPPLIES

Mr. Cassidy: Mr. Speaker, I have a question for the Minister of Energy (Mr. Welch). Since he has repeatedly assured the House that heating oil supplies and energy supplies are secure for this winter and since he told the House as recently as October 11, and I quote, "We have no reason to believe that we have problems for this coming heating season," why did the government have the Deputy Minister of Energy appear before the Provincial-Municipal Liaison Committee on October 19 to make a detailed presentation of the federal Energy Supplies Emergency Act, Bill C-42, a presentation which included plans for coupons for gasoline rationing?

Hon. Mr. Welch: Mr. Speaker, the reason for the appearance of the deputy minister was at the request of some of the municipalities, particularly those who were expressing some interest in getting some information about the federal legislation. As a result, we agreed some months ago to appear before the Provincial-Municipal Liaison Committee to share with them whatever information we had with respect to the emergency allocations, particularly as it would relate to the interest of municipalities in fuel for transportation.

Mr. Cassidy: Mr. Speaker, since in that presentation the deputy minister indicated that the Ministry of Energy is working closely with the federal government to develop its contingency plans in the event that Bill C-42 is invoked, could the minister share with this House the input from his ministry to the federal government as it sets priorities for the allocation of energy supplies? Does this mean in fact that the province has views on the allocation of petroleum supplies this winter despite the minister's statement two weeks ago that the province had no emergency plans at all?

Hon. Mr. Welch: Mr. Speaker, I don't change the answer I gave to the member's question earlier. All I'm repeating at this particular time is that it was deemed to be a rather responsible response on the part of the ministry to share with the municipalities, particularly with respect to their interest in fuel for transportation, the areas in which there have been some consultation, where our ministry staff have worked closely with the federal people. Not that anyone expects that it will be necessary to put any plan into effect, but I think it would be less than responsible not to be involved in these discussions and not to be part of the exchange of information.

We responded to questions quite openly at that meeting, and we would be glad to provide members with any specific information they need. I think it is in keeping with the spirit of the federal legislation that the municipalities would want to have some of this information.

Mr. J. Reed: Would the minister be good enough to describe the kind of supply monitoring that is going on in the province now in order that the ministry may assess the prospect of supply problems showing up in the ensuing months? Is he aware that the business of bidding for contract oil for this winter is far more widespread than originally observed?

Hon. Mr. Welch: I wonder if I might have some clarification, Mr. Speaker. Does the member really mean the bidding is that much more competitive?

Mr. J. Reed: I meant that the restriction of bidding is far more widespread than originally observed.

Hon. Mr. Welch: On the basis of copies of correspondence that is being directed to my colleague the Minister of Education (Miss Stephenson), and on the basis of some questions raised in this House, there are indications that companies providing bulk heating oil are not out looking for new customers this season and are perhaps being a little more restrictive in their bidding practices. This doesn't change the fact that, on the basis of information available to me, although the supply situation will be tight this coming season, it is still manageable.

The honourable member asks about our monitoring. The source of our information is principally the reports we get from time to time from the National Energy Board. We take this information, as far as it is shared with us, and make some projections with respect to supplies and inventories, and in touching base with the companies.

When I was in Calgary about a week ago meeting with all my colleagues of the provincial energy ministries, we raised some questions about the necessity of bringing into operation the technical advisory committee that is talked about in so far as this subject area is concerned, so that we can have the benefit of its advice as well.

I would like to say at this stage, as far as the supply situation is concerned, I have no evidence at the moment that would persuade me to give an answer other than the answer I have been giving up to this time; that although supplies will be tight this coming season they are manageable and we have them under control.

Mr. Philip: A supplementary, Mr. Speaker: Will the minister make public a copy of the deliberations that are taking place today at the Valhalla Inn with representatives from the United States and people from the federal government concerning energy contingency plans? Will he make that available to members of the opposition and to the press, since I understand a reporter was turned away from listening in on that seminar today?

Hon. Mr. Welch: Mr. Speaker, I would be in no position to make such an undertaking without consultation with all the parties involved in such discussions, if such discussions on that subject are going on.

Ms. Gigantes: Oh, boy! One would think we were children.

Mr. Cassidy: The Minister of Education won't give us information, the Minister of Energy won't give us information, and neither will the Premier. It is the whole pack; every one of them. They are the most secretive government in this country; that's what they are.

Mr. Speaker: Order.

EQUALIZATION PAYMENTS

Mr. Peterson: Mr. Speaker, I have a question for the Treasurer, a somewhat intricate

question. He replied to a question from my leader last week with respect to an entitlement to some $105 million for equalization for this year, recognizing of course that Ontario had become a have-not province and was entitled to that $105 million.

Does the Treasurer agree that in fact our entitlement is probably about $172 million, as estimated by Dr. Courchene in a paper presented this week to the Ontario Economic Council? The figure of $105 million the Treasurer used, which he agreed with, took into account the provisions of Bill C-26, the federal bill that altered the provisions on the crown leases so that the number that was used did not conform to the law that was in existence at the time. In fact, our entitlement for 1979-80 in equalization would be about $172 million; our entitlement for 1978-79 would be about $100 million and our entitlement for 1977-78, according to the last estimate of the federal-provincial relations division of the Department of Finance, would probably be $103 million, making a total entitlement for the last three years in the range of $375 million for equalization due to this province as a have-not province, which this government has not collected.

Does the Treasurer (Mr. F. S. Miller) agree with those figures? And even if he doesn't agree with my specific figures, why hasn't he collected our share of that equalization?

Hon. F. S. Miller: Mr. Speaker, I'll speak close to the mike today, if you don't mind.

Mr. Kerrio: What's $3 million?

Hon. F. S. Miller: The $105-million figure was the member's leader's figure. I recognized that under the current rules we were entitled to receive money. He asked me for a simple yes-or-no answer. If the member will check Hansard, he will see I gave him a one-word answer, yes.

Secondly, the member's estimate is, by my estimate, $100 million low. In fact, the three-year entitlement would be closer to $470 million.

Mr. Peterson: That's worse. Why aren't you collecting?

Hon. F. S. Miller: That's based upon the current formulae. One can argue with those figures, and I'm sure we could have them double-checked. But, certainly, the range between $350 million and $500 million is one that the figures are in.

The point we would make, and the point around which the debate seemed to rage the other day—and it is a fairly complex matter—is that according to the principle for which equalization payments were established, Ontario, in the philosophical sense, is not entitled to receive them since our per capita incomes are well above the national average. That was the amendment proposed, which Dr. Courchene mentions in his paper, in the bill the federal government was to pass last fall and did not pass—that and one other restriction.

Ontario simply argued that the original intent of equalization payments was not to redistribute oil profits; it was simply a method of taking moneys for certain basic services to governments. That in no way invalidated the Ontario argument which has gone on, saying that the oil profits must be redistributed in Canada by a better method. We've simply said that the formula illustrates that it is now archaic and needs a thorough overhaul of its original purpose and, simultaneously, discussions must go on to find ways and means of using the massive flows of money out of all the other non-producing provinces to the producing provinces for the benefit of all Canadians.

Mr. Peterson: Supplementary: The philosophy is not to equalize per capita income but to equalize provincial revenue, and there's a very distinct difference between them. Bill C-26 was not passed by the federal government. My question to the Treasurer is, why hasn't he collected what we're legally entitled to under the current rules? We are a have-not province and entitled to it.

In the absence of the Treasurer's presenting an alternative position to a dominion-provincial conference suggesting some alternatives that people will buy, since we are entitled to it, why doesn't he collect it? Is it that the Treasurer has too much pride, or what is his problem?

My second question is, what is the Treasurer going to do if Bill C-26 or a successor in some form or other is introduced in the federal House? This time will he fight it to protect Ontario's interests?

Hon. F. S. Miller: One way or another I intend, and I'm sure the Premier intends, to protect Ontario's interests in its overall financial and fiscal responsibility.

Mr. Kerrio: You lost that battle when you elected Joe Clark.

Hon. F. S. Miller: I think it's very important not to mix up the two arguments currently going on, namely, the question of the redistribution of oil money and the current equalization formula.

Mr. Peterson: That's part of the current equalization formula. You could share it.

Hon. F. S. Miller: We have pointed out to the federal government the very fact that they don't have sources of money to pay the

funds their old formula tells them they must pay, and the fact that we show up in their eyes as a potential recipient indicates how out of date the formula is.

If we can't resolve it by any other means, obviously we'll be back to discussing Ontario's entitlements within that formula, but I think they're better discussed in another way and in another forum.

Mr. Peterson: You are three years late.

[2:45]

EMPLOYMENT OF WOMEN

Mr. Mackenzie: Mr. Speaker, I have a question of the Premier: Given this government's oft-stated concern that women have equal opportunities with men, will the Premier indicate whether he agrees with the comments by a Stelco spokesman that the reason not one of some 30,000 female applicants was hired for industrial jobs at Stelco since 1961 was that the 33,000 male applicants hired were all more qualified?

Hon. Mr. Davis: Mr. Speaker, I haven't the foggiest idea. I don't know what qualifications are required. I don't know exactly what type of employee they were looking for. I would be delighted to look into this matter and get a more definitive reply for the member, but he should understand—and I'm sure he does—that for me to answer that at this precise moment without a little more knowledge and information would be asking me to express an opinion. I'm never reluctant to express an opinion, but I like to do it based on a certain amount of information. If the member will pass on any information he has, I'd be delighted to take that along with other information I shall seek.

Mr. Mackenzie: Supplementary: Will the Premier assure this House that the hiring practices of Stelco, in relation to female applications, will be investigated? Will he help to expedite the complaints filed last week by individual women involved, and can he tell us what affirmative action programs might be available to see that we do have some equality here?

Hon. Mr. Davis: With respect to the second part of the second question, I would be delighted to discuss this with the Minister of Labour (Mr. Elgie), who is more knowledgeable on these matters than myself and perhaps even more so than the member who asked the question, for all I know. I'm sure that between the two of us, we will get a reply that will be totally satisfactory to him.

INTEREST RATES

Mr. Riddell: Mr. Speaker, since the Minister of Agriculture and Food (Mr. Henderson) seems to be occupied with activities other than those that take place in this Legislature, and since when he is here he pretends not to understand the question—

Mr. Speaker: Question.

Mr. Riddell: —let me try one on the Minister if Industry and Tourism (Mr. Grossman). In view of the fact that farming is probably the largest industry we have in Ontario, what consideration is he giving to the concern expressed by the president of the Ontario Federation of Agriculture when he states:

"Interest rates at unprecedented heights spell the beginning of the end for many of Ontario farmers. We're not talking about inefficient or marginal farmers, although they will be affected too. Progressive, innovative farmers, the ones who produce the largest portion of the food we eat, are among the many facing disaster."

What does the minister, through his government, intend to do to cushion the effect of the high interest rates, in the interests of the farming community and in the interests of those people who consume the food and who are ultimately going to be faced with higher food prices if we carry on with these ridiculously high interest rates which his government seems to concur with?

Hon. Mr. Grossman: Firstly, Mr. Speaker, may I say that for the member to imply or suggest that we automatically concur with the interest rate strategy would indicate that he wasn't paying attention to yesterday's discussion here. Secondly, we made our position quite clear—

Mr. Breithaupt: Not in this House the minister didn't.

Hon. Mr. Grossman: The other day the Premier was quite clear and explicit in response to a question from the member's own leader, which was exactly the same question that he has just asked.

Interjections.

Mr. Speaker: Order. If the members don't want to pay attention, at least their colleague who posed the question is entitled to a response.

Hon. Mr. Grossman: The reply given to the member's leader the other day was that this government was going to take the lead in contacting the financial institutions and urging upon them the importance of not overreacting in the short term to the high-interest-rate situation. In simple terms, we want to ensure

that both the farming community and the small business community, to name just two, are not unduly affected by banks being unduly restrictive during the high-interest-rate period.

If a farmer or small businessman had a project, an undertaking or whatever, which was worthy of bank support, and the banks thought enough of it to give it that support, and lend that degree of credit to that firm or person, then we have urged the banks to give them some flexibility. We have urged the banks to allow them to miss some payments, after having studied the situation. We have urged them to take a look at the long term and not the short term.

Unquestionably, some people who have good and viable operations will have difficulty in meeting the odd payment from time to time. If that's the case, it makes absolutely no sense whatsoever for financial institutions to come in and seize assets or withdraw the credit simply because there's a one- or two-month period of time during which they can't meet these higher interest rates. We've made that quite clear, here in the House and through the media, and I am just in the process of drafting a communication to the banking institutions which will refer to both small business and the farming community.

Finally, Mr. Speaker, I can't sit down without pointing out to you that I will compare the attendance record of the Minister of Agriculture and Food in this assembly to the member's attendance in this assembly any day of the week, and that is taking into consideration the fact that the Minister of Agriculture and Food has a heck of a lot more obligations to meet and a wider range of responsibility than has the member. Any suggestion that he is absent from this House doing anything other than looking after the interests of the farming community is cheap and unfair and ought to be withdrawn.

An hon. member: The height of arrogance.

Interjections.

Mr. Riddell: I certainly accept that challenge. If the minister is prepared to put his money where his mouth is, we may find out whose record is best in this House.

An hon. member: We all know how cheap he is.

Mr. Riddell: Let me ask the minister this: If the financial institutions fail to accept his recommendations, what is he going to do then? What steps is he going to take?

Hon. Mr. Grossman: That's like asking if we'll make a constitutional reference in the event we don't reach agreement on other matters. Let me say, as always, it's ridiculous to suggest we're selling the farmers down the drain.

An hon. member: You are.

Hon. Mr. Grossman: Let me say on the attendance records, I'll put my money where my mouth is if the member will put his money where his mouth is. It means he'll have a heck of a lot more money on the table than I will.

Interjections.

COMPLAINTS AGAINST POLICE

Mr. Lupusella: Mr. Speaker, I have a question for the Solicitor General (Mr. McMurtry). Since Cardinal Carter's report is the fourth one which acknowledges the problem of racism in the city of Toronto and calls for action, can the minister state what course of legislative action he is planning to undertake in response to the Cardinal's proposals? Also, would the minister inform this House when he plans to introduce legislation to set up a citizens' complaint bureau?

Hon. Mr. McMurtry: Mr. Speaker, I should like to say firstly that I think Cardinal Carter's report is an excellent contribution to a very sensitive area of public controversy. We certainly welcome his recommendations and are going to pay serious attention to them.

In so far as the civilian review board concept is concerned, one has to be a little careful with the language that is employed, because 100 people may be talking about civilian review boards but they may be talking about essentially 100 different types of civilian review.

What we have agreed to do, at the request of the mayors of Metropolitan Toronto and the Metropolitan Toronto Police Commission, is to introduce legislation this fall which will provide a greater civilian involvement in the review of civilian complaints against police conduct. The nature or the character or the details of that legislation will be made known to this House in the relatively near future.

Mr. Lupusella: Supplementary: With great respect for the minister's statement that he will introduce legislation in the near future, and in view of the fact that he failed to act upon three previous reports, what kind of assurance do we have that he is going to act now?

Hon. Mr. McMurtry: First of all, the legislation was introduced, as I recall, by one of my predecessors. I think it was Bill 114 but, be that as it may, there are many complex aspects to this type of legislation.

With respect to the earlier legislation, notwithsanding very extensive consultation with municipal councils, municipal governing authorities, police chiefs' associations and police associations generally prior to its introduction, there was still a great deal of concern expressed about certain aspects of this legislation by many of the interested parties as well as citizens' groups. Therefore, it goes without saying, it is very important that the legislation that is introduced receives a fair amount of support from both the police community and the citizens generally, or it simply won't work.

The history of the so-called civilian review process in other jurisdictions has been generally a very unhappy and, indeed, a very disastrous one. The process we are going through at the present time is to ensure we provide legislation that will serve the legitimate interests of all those who may be involved in the process.

I think it is very unwise to adopt the very simplistic approach that has often been adopted in this area of concern and simply say, "Give us a civilian review board." There are many aspects to it. The experience of other jurisdictions during the past several years indicates the wisdom of proceeding cautiously in this area.

MORTGAGE TAX CREDIT

Mr. Mancini: I have a question for the Premier of Ontario, Mr. Speaker.

Mr. Kerrio: Go right to the top.

Mr. Mancini: Now that it is evident we have a bunch of loan sharks in Ottawa, I wonder if the Premier would reconsider a compaign promise he made in 1975. He spoke from a document called The Clear Choice—I almost blush quoting the name. He said in Waterloo on September 11, 1975, addressing himself to the problems of high mortgage interest rates: "Rest assured that this government is not prepared to stand idly by, to give up its housing objectives and to give up jobs in homes to a federal policy which gives in to both increased unemployment and inflation.

"We would propose, if we were forced to act, to extend tax relief to present and prospective home owners through a new tax credit, which would offset three quarters of the mortgage interest costs which are 10.25 per cent. Such tax relief would be allowed to a maximum of $500."

Now that mortgage rates are nearing 15 per cent, would the Premier reconsider this well-thought-out policy so that the people in Ontario can continue to own the homes they have and may have an opportunity to purcase new homes in the future?

Hon. Mr. Davis: Mr. Speaker, I think the member for Essex South (Mr. Mancini) should at least have thanked me or my office for providing him with a copy of that speech. I just wish he had read other parts of it, because they are also quite relevant.

Mr. T. P. Reid: There are a lot of promises in it.

Hon. Mr. Davis: No, no; it is just a question of time. That speech was delivered in 1975, if memory serves me correctly.

Mr. J. Reed: We are still waiting.

Hon. Mr. Davis: That's right—it took us a while; it took us four years to get a change in government, a government which has now introduced a program for tax credits for mortgage interest which are in excess of the figures I mentioned in 1975.

Mr. Mancini: I have a supplementary question. In 1975, when the Premier made this speech called The Clear Choice, he gave the people of Ontario an indication that he was against the high interest rate policy of the then government. Would the Premier inform the House whether he is in favour of the policy as set out by the governor of the Bank of Canada and supported by his good friend, Charles Joseph Clark?

Hon. Mr. Davis: My point of view on interest rates has not changed as a person, as an individual, as a leader of government here. We have never been in support of high interest rates; that has not changed.

Interjections.

[8:00]

ALGOMA UNIVERSITY

Mr. Cooke: I have a question for the Minister of Education. Is the minister aware of the very serious financial problems at Algoma University? Is she aware the accumulated deficit at the end of this particular fiscal year is projected to be $360,000 and will result in a loss of six faculty members out of a total faculty of 32, whereas the enrolment has only dropped from 430 to 400 full-time equivalent students? What is the government's commitment to maintaining this university?

Hon. Miss Stephenson: The board of directors of Algoma University had a meeting on Saturday last week at which some decisions were taken in conjunction with the faculty association related to the problem of declining enrolment within that institution and its funding difficulties, which have

been relieved to a very significant degree by a specific designation of funds by the Ministry of Northern Affairs. I am aware that indeed these decisions were made. They were joint decisions between the faculty association and the board. I am also aware the acting president of the college is comfortable with the decisions and feels they were made logically and in the best interests of the institution.

Mr. Cooke: Supplementary: Does the minister realize that as the number of faculty decreases, the programs that can be offered at this institution also decrease, thereby putting the viability of this institution very much in question? Does she understand the need for this institution to maintain itself in Sault Ste. Marie to provide accessibility for working-class students and for full-time working people who want to attend this institution on a part-time basis? Where is her commitment and why doesn't she put more money into this institution to maintain its viability so it can compete with the American university?

Hon. Miss Stephenson: Is the honourable member finished now? All of those factors have been taken into consideration; they have been considered seriously in discussions with Dean Howell, with the acting president of that university. In fact, in support of the necessity of that institution in its present site, and in support of the concept that kind of institution needs to be within Sault Ste. Marie, there was a new funding mechanism which was announced to Laurentian University and to Algoma University and the other institutions in that group in September of this year, which will, I think, support the continued viability, the continued vigour of those institutions in their communities.

TEACHER-BOARD NEGOTIATIONS

Mr. Van Horne: A question to the Minister of Education: In light of the minister's statement earlier today regarding teacher negotiating procedures in which she said, I think I have it right, "the external review, if acted upon, may have implications for the collective negotiation process as it now applies to colleges of applied arts and technology," will she now broaden the terms of reference for the commission to look at the bargaining process as it applies to colleges and universities, particularly since it seems we are heading into a strike situation with the 6,500 community college teachers in the province?

Mr. Cooke: The member wants to take the right to strike from them too, eh?

Hon. Miss Stephenson: Since the commission is unlikely to report until spring, I would think there would be very little to be gained by broadening those terms of reference. As I suggested in the statement, if there are implications as a result of this examination of that collective bargaining process for the relationship between the faculty members of community colleges and the boards of community colleges, I wonder if it might not be more appropriate that another small group look at those implications and make recommendations for community colleges.

The matter which seems to be disturbing the honourable member is one which is relatively imminent and I doubt very much that waiting for approximately six to eight months for a report from this commission would be of assistance in solving that problem at this time.

Mr. Van Horne: I agree with part of what the Minister of Education has said in so far as waiting for 16 months is concerned but the fact of the matter is that community colleges will continue to exist for a long time and the negotiation process seems to be in some kind of jeopardy, particularly in the light of comments made by such people as Norman Williams, chairman of the council of regents—

Mr. Speaker: Question? Would the minister agree.

Mr. Van Horne: Would she not agree, since he says that he cannot agree to the arbitration process, for example, even if they asked for it, and in fact they have asked for it; if they are saying things like that, why doesn't the minister broaden the terms to look at the negotiation process now?

An hon. member: It makes lots of sense. That's why you are not going to do it—because it's sensible.

Hon. Miss Stephenson: It is unfortunate that sometimes in the heat of debate or comment certain statements are made. I am not at all convinced that that is the position of the council or regents, the body which is in fact responsible for negotiations with the community college staff. It may be a statement from one individual but I am not aware that it's the position of the council of regents.

I am aware that an offer was made, which was an improvement over the last offer which had been made to the faculty of community colleges, and that offer has not at this point been taken to the members of staff for a vote. I am aware there's an application before the College Relations Commission at this point regarding that vote.

ROY WOOD

Mr. Warner: I have a question for the Attorney General. Will the Attorney General be extraditing Mr. Roy Wood, who was formerly a detective in the Peel regional police force and is at present residing in England? If so, when; and if not, could the Attorney General give us reasons why he wouldn't be extraditing him, as this is normally a procedure we follow?

Hon. Mr. McMurtry: Mr. Speaker, I can't assist the member at this time. I recall some preliminary report that I received several weeks ago on this issue. Quite frankly, I don't know where the matter stands but I will find out and so advise the member.

Mr. Warner: Supplementary: Since this matter has been dragging on for about five weeks—

Hon. Mr. McMurtry: I have just been handed a note, Mr. Speaker, which I assume is accurate. It indicates that we have instituted extradition proceedings.

Mr. Warner: Supplementary: Could the minister indicate if there will be additional charges other than the one that was reported in the press, which was to the effect that a charge of theft would be laid? Will there be additional charges laid against Mr. Wood?

Hon. Mr. McMurtry: I don't have the answer to that question at this particular time.

PHYSICIAN IMMIGRATION

Mr. McKessock: I have a question for the Premier. The town of Durham has lost two medical doctors in the past year, one through a car accident and the other to the United States. In advertising for new doctors, they had responses from doctors in Scotland and the United States and although these doctors were willing to come they were unable to obtain work visas. I have been told it is government policy that although we allow doctors to leave this province the government will not allow doctors to enter. Is this correct? In fact, what is the government's policy in allowing doctors into this country?

Hon. Mr. Davis: Mr. Speaker, I am just going by memory here. I believe it is the policy of the government of Canada. I think two or three years ago—

Hon. Mr. Welch: Four.

Hon. Mr. Davis: —four years ago a determination was made that we had sufficient numbers, and that in terms of the capabilities of our medical faculties to educate prospective young doctors we could meet the demand with respect to that profession. I will check and make sure for the honourable member but I am almost sure it is a federal policy and one that has application beyond the province of Ontario. I will check that out for him.

NOTICE OF DISSATISFACTION

Mr. Lupusella: I have a point of order. I am not satisfied with the Solicitor General's (Mr. McMurtry's) answer. Therefore, under standing order 27, subsection (g), I would like to debate this matter on the adjournment of this House this evening.

HANSARD

Mr. Speaker: Last evening, just before six o'clock, I undertook to investigate the remarks made by the member for Brant-Oxford-Norfolk (Mr. Nixon) concerning the completeness of the Hansard record in the committee of the whole House on October 23, that was so capably handled by my colleague and deputy, the member for Perth (Mr. Edighoffer).

In checking the Instant Hansard, I find that there is a gap which does not show the disposition of a question before the House. However, as honourable members know, the Instant Hansard is an unofficial and unedited record, made available for the early convenience of all members.

If the honourable member will check page 3791 of the printed Hansard, he will find that the record is complete, and, having checked the tape, I find it completely accurate.

The presence or absence of floor interjectionists would have no effect on the Instant Hansard omission, and if members will just check that they will find it is complete.

INTRODUCTION OF BILLS

REGIONAL MUNICIPALITY OF PEEL AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 157, An Act to amend the Regional Municipality of Peel Act, 1973.

Motion agreed to.

Hon. Mr. Wells: The purpose of this bill is to give to the area municipalities in the regional municipality of Peel the power to make expenditures for the purpose of diffusing information respecting the advantages of the area municipality as an industrial, agricultural, business, educational, residential or vacation centre, and the regional municipality will no longer have this power.

NOTICES OF DISSATISFACTION

Mr. Speaker: I would like to advise the House that pursuant to standing order 28, the member for Downsview (Mr. di Santo) has given notice of his dissatisfaction with the answer to his question given by the Premier (Mr. Davis) concerning the policy of the government on the possible sale of de Havilland Aircraft of Canada, Limited. This will be debated at 10:30 p.m.

Further, pursuant to the same standing order, the member for Dovercourt (Mr. Lupusella) is dissatisfied with an answer given by the Solicitor General (Mr. McMurtry). This will be debated this evening at 10.40 p.m.

ORDERS OF THE DAY

EXTENSION OF INTERIM SUPPLY

Hon. F. S. Miller moved an amendment to government resolution 8, that the words "March 31, 1980," in the motion be deleted and the following substituted therefor: "December 31, 1979."

Mr. Speaker: Any discussion?

Mr. Nixon: I have no objection to that amendment. I would like to debate the motion, however. The Treasurer is amending his own motion before he puts it, with unanimous consent, I understand. We are not withholding unanimous consent on that.

Mr. Speaker: I take it you have no discussion on the amendment?

Mr. Nixon: There is no motion before us. Has the honourable member made a motion? I don't believe he has.

He has said he wants to make an amendment to his motion. He hasn't put it yet.

Hon. F. S. Miller: Mr. Speaker, I could be corrected on my orders of procedure, but I understand my original motion was on the Order Paper and, therefore, before the House. It must be moved? Then I will be glad to move the motion as it reads in the Order Paper.

[3:15]

Hon. F. S. Miller moved Resolution 8:

That the authority of the Treasurer of Ontario granted on March 29, 1979, to pay the salaries of the civil servants and other necessary payments pending the voting of supply for the period commencing April 1, 1979, be extended to March 31, 1980, such payments to be charged to the proper appropriation following the voting of supply.

Mr. Speaker: You've heard the motion. I'll allow debate on the main motion, but when I put the question to the House I'll ask for the amendment first.

Mr. Nixon: Thank you, Mr. Speaker. This motion is one that has not always come before the House in precisely these terms. I know, sir, you would recall when the Treasurer at the time of his budget, or shortly thereafter, would ask for the authority of the House to carry out the spending program put forward in the budget for the entire fiscal year.

As a result of debates in this House, and amendments put forward by myself and others, it has come to be the position of the Legislature that interim supply would be granted usually for two to three months, and occasionally six months, if it appears that the Legislature is not going to be able to deal conveniently with the spending program under those circumstances.

I'm sure you're aware, sir, that when the discussion on the estimates review is completed, it is standard procedure that the Treasurer brings forward a supply bill which gets three readings immediately in the House, and if it is successful in getting three readings and royal assent, it means the House approves the expenditures of the government, and they have therefore the legal right not only to tax the money but also to spend it in the programs that have been approved in that way.

It is important, of course, for the Legislature to retain as much spending control as is possible, as our democratic system evolves. There are those who have said that the executives—the Premier and the cabinet—have been gathering, one might even use the word "usurping," more and more authority from the Legislature as the years have gone on. I think it is a healthy thing indeed that the House be asked only to approve expenditure for a two- to three-month period under these circumstances. Surely, if we were to proceed with the motion in its original terms, granting the government six months' supply to the end of the fiscal year, it would mean that no matter what happened with the estimates and the discussions taking place thereon, the government could legally expend the money anyway.

It might be said that the argument is an academic one, and yet it is possible to envisage a situation that could take place right in our own House next week, next year, 10 years from now, when the powers

the opposition or the Legislature in general must hold to exert what controls they can on governmental expenditures should be maintained.

I have a feeling that the Premier and his advisers in his caucus might have thought the notice we put forward of an amendment to limit the spending authority to January 31 had some ulterior motive. I can assure you, Mr. Speaker, and I know that you are at least open-minded and fair enough to be convinced, that that is not the case, that we felt very definitely that if the business of the House proceeds the way many people—do you want to speak?

Hon. Mr. Davis: No. Why did you agree to it, that's all.

Mr. Speaker: Everybody will have an opportunity to speak to the motion.

Mr. Nixon: I want to respond to his interjection. I know that you, Mr. Speaker, feel that it's important that the Premier has a chance to respond to interjections. If he is saying, why did we agree to this, we agreed to go forward with the debate. That is precisely what we are doing.

Mr. Speaker, the Premier seems to have a funny notion of what's to go on in here. He resents it if people on all sides do not follow in lock-step the way he thinks the business should go. He doesn't like it if the Leader of the Opposition (Mr. S. Smith) asks questions about energy policies. He feels that that's inflammatory and provocative. All right, the Premier—a very important person in this province—has interjected. He has said, "Why did you agree to the motion we are debating?"

Certainly, when the House leaders discuss this, the agreement is only when the debate shall come forward. The honourable House leader made a very natural error, one in which I suppose we all concurred, when he did not mention last Thursday the debate would have to come forward today in order that the money would be available to meet our commitments at November 1 and thereafter. Surely the Premier is very much in error if he is assuming that by agreeing to go forward with the debate we agree it should not be either debated or amended. And we would be doing something less than our responsibility if we allowed him to get away with it.

Hon. Mr. Davis: I thank the members opposite for their very well-deserved applause. I would only say to the House leader of the Liberal Party I had no involvement in the meeting which he attended and of which he is a principal, I understand, as the representative of the official opposition.

We didn't determine the debate was to take place today, other than by agreement. I was under the impression, an impression which I think was shared by a number of people, the House leaders had agreed in terms of the specifics of the supply motion. It did come as a bit of a surprise—even to some of the member's own colleagues, I think—that he determined he was going to try to play games and insert the date of January 31.

We have been flexible in terms of the date. The Treasurer has introduced an amendment to make it December 31. But I think it really is unfair of the member for Brant-Oxford-Norfolk to suggest this government is reluctant to debate the issue, or that we were the ones who predetermined, without consultation, what the date was to be.

If the member is to say to me that he himself didn't, by implication or by non-objection or in any way, say he was not satisfied with the date of March 31, then that's fine; he's an honourable gentleman and I would accept his word. But I hope he will accept mine when I explain to him that the distinct impression we have had, and we've had it for several days, is that the Liberal Party had agreed to March 31.

I've got news for him: I don't care whether it is December 31 or March 31 or January 31; I'm interested in getting the business of this House concluded. If the member had only said two or three days ago he would have preferred January 31 there would have been no problem.

Mr. T. P. Reid: The Premier is saying we don't need this place at all then.

Hon. Mr. Davis: No, no. I'm not saying that. The member should not say his people didn't know it was March 31 and that there wasn't an understanding this was to be the date. That's all I'm saying.

Mr. T. P. Reid: That's not the point at all. The Premier is making the point that the House leaders are running the Legislature.

Hon. Mr. Davis: I wasn't at the meeting, and I make this abundantly clear. I am not going to get into a confrontation such as we had over another issue.

Mr. Nixon: I just got the floor. What are you doing?

Hon. Mr. Davis: What am I doing? The member was suggesting I wanted to limit the discussion, or that I was trying to prevent the House from debating it. I want to make it abundantly clear that is not the case. If the House leader of the Liberal Party is saying he wasn't under the impression there was

some agreement—and I wasn't at the meeting—where it was established that the date was to be March 31, that's fine. Then let's limit our discussion to December 31.

I know the usual procedure, and that is the passage of the supply bill. I say to the House leader it is our intention to have the estimates finished by the end of December. I hope we can have them done well before Christmas, but we are quite prepared to sit here until such time as they are finished. But I think, in fairness, it would have been a lot simpler if he had said to our House leader a couple of days ago, "We don't like March 31; let's make it some other date." There would have been no fuss of this kind whatsoever.

Mr. T. P. Reid: But he said he would accept March 31.

Mr. Speaker: Does any other member wish to speak?

Mr. Nixon: On a point of order, Mr. Speaker, I resumed my seat simply because the Premier was standing to interject. That's a fact.

Mr. Peterson: Mr. Speaker, he was on a point of privilege.

Mr. Speaker: Order. Will somebody refresh my memory as to whether or not the Premier stood on a point of privilege?

Mr. Peterson: Yes, he did.

Mr. Nixon: I appreciate that, Mr. Speaker, I certainly do. I also appreciate the fact that the Premier has expressed his concern. But I want to make abundantly clear to him and anybody else who wants to listen that our agreement was only over when the debate should take place.

There was a time when I had the honour and the responsibility to decide, with the advice of my colleagues, what the position of this party would be. I am very glad that responsibility is carried by another person at this time. My job, and that of the other House leaders, is simply to facilitate the debates' taking place and not to make the decisions that must be made by the House.

Does the Premier (Mr. Davis) want to get up again?

Interjections.

Mr. Nixon: He's going to wait? All right.

I just want to say this very clearly, Mr. Speaker—

Mr. Speaker: Are you going to address the chair now?

Mr. Nixon: Yes, thank you. I think that's really what I've been trying to do all the way along. I think I should have as much protection from the chair as the Speaker seems to be able to give to the other side.

Mr. Speaker: I can assure you that's my aim, with your permission and with your co-operation.

Mr. Nixon: That's good. I will continue to support you in those endeavours.

I would say to you that if we are not successful in carrying the estimates and the supply bills by the end of December, the House can decide to sit continuously until we do so, or we could also decide to have an interim supply bill that would extend supply for a longer period of time, perhaps even to January 31. The House, if it chose, could take a few days off and return to complete that work. There is no reason why that should not be so.

I'm sure, Mr. Speaker, you will understand that if the resolution in its original terms had been passed and the supply bills had also been passed, there would have been a double authority for expenditure, which is redundant. On the other hand, if the resolution in its original terms had been passed and the supply bills had not been passed, I know of no power that would require the House to resume to approve the expenditure program of the government.

With regard to the amendment, notice of which was given to the Premier, and which seemed to raise his ire in such an unreasonable way and prod his paranoia in a way I haven't seen for many months, I believe any moderate, objective observer would have considered it a most reasonable and appropriate amendment indeed. Frankly, I'm very glad the Treasurer (Mr. F. S. Miller) in a rather awkward way has decided to indicate he will amend his motion even before he puts it.

Mr. Laughren: Mr. Speaker, I will attempt to address myself to the supply motion itself and not the shenanigans that have surrounded it.

We support the idea of a supply motion to be debated every three months. I think it's a very good idea, and it would be very nice if it could be enshrined in the rules of the House so that we debated it every three months and didn't deal with a six-months supply motion. The Ontario economy is something we need to be talking about more often in this chamber, particularly in the last short period of time. This government in particular, should be answering more than it is on the problems that face Ontario.

When I think of what this province had, and in some cases still has, I weep for what has been done to it. Basically it's the stewardship of this government that has been

the cause of it. We have had so much in resources. We had a manufacturing base no province in Canada could touch; we had a healthy farming sector, a booming service sector and a very good public sector in the province of Ontario. Now we see what's happening in every one of those cases to those particular sectors.

For example, we see the resource sector giving us a sadly inadequate return when compared to other jurisdictions. We see a lack of processing of those resources, which costs us enormously in jobs and in new wealth that's created in the province of Ontario.

Mr. Martel: The government has done it.

Mr. Laughren: We see virtually no linkages between the forward linkages of processing the resources or the backward linkages of buying the mining machinery to develop those resources.

Mr. Martel: You've killed it, Leo.

Mr. Laughren: When it comes to employment in manufacturing, we see it declining as a percentage of the work force. I know what the Treasurer will say about employment in manufacturing, but as a percentage of the work force it is indeed declining. As a matter of fact, I'll return to that whole question of the problem of manufacturing in a few moments.

[3:30]

We talk about the farming community. I look at Ontario as a farming province as well as an industrial province. We have aided and abetted the farming community in this province a great deal, but what this government has not done is monitor what happens from the farm gate through to the consumer. That has not been done. We need only look at what has happened to the cheese processing industry in Ontario to verify that.

Hon. Mr. Henderson: Tell us more.

Mr. Laughren: As a matter of fact, we need only look at what happened in food processing—

Hon. Mr. Henderson: Tell us more about the cheese.

Mr. Laughren: —industry in Ontario to know the government stops short of its responsibility when it comes to food and agriculture in the province of Ontario. I'll talk lots more about it.

Hon. Mr. Henderson: Tell us about it.

Mr. Laughren: Because of what has happened in these very vital sectors of manufacturing, resources and in the farm community, we now see in the province of Ontario an erosion of the very essential social and health services.

Mr. Speaker: I hate to interrupt the honourable member, but this motion deals expressly with the extension of time for the payment by the Treasurer of salaries of the civil servants and other necessary payments pending the voting of supply. It deals with an extension of time, rather than a complete, full-flown throne or budget debate.

Mr. Martel: Mr. Speaker, might I then ask for your clarification, because as I read the resolution it's allowing for the expenditure of funds in a variety of fields, whether it be agriculture, whether it be the manufacturing sector or tourism. We're allowing for the expenditure of funds in all of those fields. Surely it's been my experience in this House when we get to this type of resolution, that although we've very seldom taken it, the opportunity is there to discuss anything in any of those expenditures which could be made. That, in fact, is what the resolution is going to do. We're going to allow the government to spend money in every sector under its jurisdiction over the next three months, so surely we should be allowed to discuss at random any aspects of that spending we want. I can't see why we're being restricted.

If I look at the motion and what you're attempting to tell us, Mr. Speaker, I can't even determine what you want us to debate.

Mr. Speaker: The extension of time.

Mr. Martel: No, no.

Mr. Speaker: It's the extension of time.

Mr. Martel: Mr. Speaker, maybe you can clarify this for me—

Mr. Speaker: I thought I just did.

Mr. Martel: —but aren't we talking about the expenditure of money?

We're talking about giving the government permission to spend money until December 31, and this money is expended by every department within the government of Ontario. Surely this attempt to restrict debate is certainly a novel introduction by you, Mr. Speaker. I would ask you to reconsider what you've just indicated you want us to restrict ourselves to, because in fact we are talking about money at every level.

Mr. Foulds: Could I have a point of clarification, Mr. Speaker? Are you ruling we're to speak only on the Treasurer's amendment, which does restrict the time, or on the substance of the motion?

Mr. Speaker: We're dealing with the main motion right now.

Mr. Foulds: With great respect, I would point out to you that in the wording of the main motion there are the words, "that the authority of the Treasurer to pay the salaries of the civil servants and other necessary payments—". My understanding of the phrase, "other necessary payments" is that it includes, as the motion itself says, "the voting of supply for all ministries for the next few months," because we have not yet had the final vote on the budget of the minister. It is a substantive motion dealing with the expenditure of funds, even though it's on an interim basis.

Mr. Speaker: I don't disagree at all. It is a substantive motion, but had it not been introduced it wouldn't have provided the members with an opportunity to rehash all of the things the supply motion covered. You do that in the regular estimates.

We dealt with concurrences yesterday afternoon where we allowed for a sufficient length of time for somebody to discuss something that, for a variety of reasons, it wasn't possible to discuss when the estimates were referred to the various committees. If the member is saying that by the Treasurer coming to the House and asking for an extension of his powers that throws the whole thing wide open again I'm sure in the hands of the House. I thought it meant an extension of time.

Mr. Nixon: On the point of order; if I may, I think you may recall discussions taking place here, actually on the three supply motions themselves that were put. I can recall one of my colleagues, some years ago, getting up and getting the approval of the House to bring forward a matter pertaining to the financial and fiscal policy of the province which he felt should be redressed. He brought forward precedents that indicated down through the many years of British parliamentary practice that a motion to approve the expenditure of money in this way—and this really takes the place of the supply motion on an interim basis—that the motion to approve is the time when a private member of the House can ask for redress of a specific matter involving expenditures. If that is accepted, then I suppose it can be expanded so that under this motion members can debate almost any matter pertaining to the business of government.

Mind you, the basic budget motion—that is wherein the House is asked to approve the spending policies of the government—is the one that normally encompasses the broad-based debate involving all of the issues that might present themselves to the House. I would rather hate to see the matter unnecessarily restricted, on the other hand I feel that surely this motion is not an occasion where the whole House could involve itself in a lengthy debate involving all subjects.

My own view is that the precedents associated with this, and associated with the supply bills themselves, do give Her Majesty's subjects, through their representatives, an opportunity to petition for redress on matters pertaining to the spending of money by the government.

Hon. F. S. Miller: Mr. Speaker, I'm quite happy to have the advice of my colleagues in the other benches at this time. I have looked back at previous debates and recognize they often are able to offer words of advice or support—

Mr. Laughren: A bit of support and lots of advice.

Mr. Peterson: And no encouragement.

Hon. F. S. Miller: —sometimes even criticism at these times. Rather than have them use up the whole afternoon debating the merits of whether they can or can't, I'd be happy to let them go on with it and take their advice in the way I always do.

Mr. Nixon: Maybe we shouldn't support.

Mr. Peterson: Be brief, though; spare us, please.

Mr. Speaker: You obviously have the complete approbation of the House, and I just hope all honourable members will remember this in the future.

Mr. Laughren: I think they somehow got an inkling that what I was going to say was worth listening to, that's why they've come around.

Whenever we confront the Treasurer on the problems facing the Ontario economy we always get back the sense that, "Ontario's doing what it can, and after all we're only part of something much bigger that's having problems. Really, you know, that recession in the United States that they're into is what's causing a lot of our grief and that's where a lot of the blame belongs." Of course that's when he's not blaming the federal government for our problems.

In reality, the problems of the recession in the United States and the way in which they affect the Ontario economy, really illuminate the structural problems that are there all the time, and have been with us for some time in the Ontario economy. It's not as though the US recession has caused these problems, they're simply emphasizing and illuminating them in a different kind of way.

The government response bothers me a great deal. I think of a two-headed coin when I think of the government response. On one

side of the coin you've got an ostrich with his head in the ground pretending that the problem isn't there; on the other side of the coin you've got an owl sitting there blinking stupidly in the sunlight, it's not really aware of what's even going on. In one case you've got the person pretending that there's no problem, and in the other one not even comprehending that there's a problem there; that's the two-headed coin I see.

What's happened, of course, is that the Treasurer, the Premier and the Minister of Industry and Tourism (Mr. Grossman), who are the triumvirate over there, don't have the courage to intervene and rectify or turn some of the problems around.

I'll tell you something: if we were to win the battles with Ottawa on oil prices and interest rate increases, even if we were to win those two battles, while it would be helpful it would not solve the structural deficiencies that are there now in the Ontario economy.

One need not look to me for that. Look to the Minister of Industry and Tourism when he admitted less than a year ago in his submission to the GATT negotiators that that was exactly the problem, structural deficiencies in the Ontario economy.

Even though this government might like to pretend that the problems in the Ontario economy are Ottawa based, that is simply not true. They are exacerbating the problems and they are exaggerating them, I agree, but that is not the cause of the structural problems in the Ontario economy. It is time we faced up to that.

When I stand back and look at the Ontario economy and its problems, which really are the problems of Canada, the thing that always jumps off the pages at me is our balance of payments problem. That is really where it all begins with the balance of payment. Perhaps it didn't begin there, but that is the source of much of the aggravation that is there now.

I see a deficit on our current account of about $7 billion. When I see a deficit like that, I know that is caused primarily by an outflow of interest and dividend payments, mostly to the United States. To compensate for that we lure in ever larger amounts of capital to make up that $7 million deficit. By doing that, of course, we are guaranteeing larger deficits in the future. What a vicious circle to be caught in.

This government doesn't seem to understand that this cannot be allowed to continue. All we do is stall, stall, stall; and the problem gets worse and worse and worse. If members disbelieve me, look at the figures. Look how they keep getting consistently worse. When we start paying interest and dividends on the new amount of capital that is going to be required to come in at the higher interest rates, we can be sure the problem is going to be considerably worse.

I know what this government over there says. In particular I have heard the Minister of Industry and Tourism say it, and the Treasurer as well. They say:

"Well you know, we can't discourage foreign investment in Ontario. We can't do that, because if we do, either by legislation or by lower interest rates, then the Canadian dollar will drop. If the Canadian dollar drops, then the inflation rate goes up. If the inflation rate goes up, what will that do? It means that we are less competitive and our exports will drop and the Ontario economy will be caught in a downward spiral on international markets."

They will say we will export less and import more, which is, of course, where all the trouble began in the first place.

Those are the arguments I hear the government using. It really bemuses me, because I think we have a choice to make, although it is a very difficult choice. We can do what the federal government says and what this government seems to be agreeing with, namely ride it out, simply ride out the problem. We will suffer a decline in our standard of living. We will have high unemployment. We will have high inflation.

Then, the government argues, as interest rates stabilize and as oil prices stabilize the very serious problems will go away. And what will we be left with? We will be left with the same problems we had before oil prices became an issue and before high interest rates put us under siege.

The trouble with this argument is when that is all over, if it ever will be all over, we will still be left with the rather outrageous and pathetic dependence on economies other than our own. It won't solve the problem at all. The Treasurer and the Minister of Industry and Tourism, the Premier and others don't seem to understand that.

What we say is it is time to begin the rebuilding process. It is time to do it; the stall has gone on long enough. If the government takes our advice, which I will outline in a little detail, sure the process will be painful. As a matter of fact, if we have lower interest rates we will have less investment in Ontario and in Canada, we will have a lower value of the Canadian dollar; I admit that. We will have some inflation because of the amount of imports we buy with the deflated dollar.

At the same time, when that happens we will at least begin the process of replacing the large amounts of imports which now meet a large part of the domestic demand, and we will start to rebuild our manufacturing sector in Ontario. Those are two very important things, and they are related.

[3:45]

We might even emerge from such an agonizing process with some kind of national purpose or will; we might even do that. It would be nice to see Ontario leading the way in that respect; demonstrating that we have said to ourselves in this province, and as an example to other provinces, that we are going to tackle the problem here at home, we are going to rebuild the economy of the province of Ontario. And as we rebuild manufacturing in Ontario so goes manufacturing in this country, because we are the heartland.

I think perhaps the Treasurer would want me to be a little more specific, but I really believe that is the route we have to go. The place I would start is with interest rates themselves. I know the Treasurer doesn't set interest rates but I tell you, Mr. Speaker, the interest rates people are trying to cope with out there now are unacceptable.

This morning we phoned Avco Financial Services and they said, "If it's above a $1,500 loan it is going to cost a 26 per cent annual rate." Household Finance said a loan would have a 23.9 per cent annual rate.

Mr. Martel: Usury.

Mr. Laughren: What kind of stewardship is that for any government to endorse? It is absolute nonsense.

The government admits the hardship this imposes on small business; and after all, when you think of the job creation component that small business is involved in it's very substantial and this will hurt. The farmers, the house buyers, and of course, the people with consumer loans, will also suffer.

The federal government argues, and Mr. Bouey argues, "Well, you know, we can't have an overheated economy." I would like to know where he gets this idea of an overheated economy. He must be talking about some other province; he must be talking about Alberta and Saskatchewan, he sure isn't talking about Ontario.

According to the Treasurer's own Ontario Economic Accounts Bulletin; second quarter, 1979: "In real terms, the second quarter volume of production experienced a slight decline of 0.8 per cent." Some overheating that is.

He goes on to say: "The slackening in the growth of consumer expenditures seems to have come primarily from the durable and semi-durable categories, with particular reference to automobiles, furniture, clothing and footwear."

The governor of the Bank of Canada, and I suppose this Treasurer, thinks that higher interest rates by making it worse will solve the problem. I find that very strange thinking, very strange thinking indeed. Not only the Minister of Treasury and Economics, but also the Conference Board in Canada has made very dire predictions about the Ontario economy, and perhaps the Treasurer would like to talk about those himself.

If the interest rates are brought down, if we can convince the federal government to lower interest rates, the Treasurer would recognize, as we do, that even though there is a four per cent spread between inflation here and in the United States, that may very well reduce the amount of capital coming into Ontario and the rest of Canada. But surely the Treasurer would also realize if that is true and if the Canadian dollar declines, that would indeed make our exports more competitive.

In this same document, Ontario Economic Accounts, second quarter, the point is made, in referring to this rather sluggish performance of the Ontario economy: "Most of this sluggish performance can be attributed to a decline in the demand for exports generally, resulting from the continuous slowdown in the United States economy." There we have the Treasurer's own report telling him that sluggish exports are a serious problem. Perhaps he could pass the word on to the Minister of Industry and Tourism who thinks our salvation is in the stimulation of exports rather than the replacement of imports. That is some economic policy from over there.

The Minister of Industry and Tourism is hanging his hat on a strange peg if he thinks that is going to solve the structural problem in the Ontario economy. As a matter of fact, the lower Canadian dollar would help us turn that around. Keep in mind that higher inflation rates cause inflation without encouraging import replacements; that is something the minister seems to forget sometimes about the high inflation rate. He thinks that somehow it attracts capital, causes inflation; but he should keep in mind that it does nothing to encourage import replacement.

I wonder if we could talk a little about our manufacturing problems. The Treasurer and the Minister of Industry and Tourism engage in some, quite frankly misleading rhetoric when they talk about manufacturing

in the province of Ontario. They compare only 1979 to 1978. They don't go back to the years when it was just as high, and of course they never deal with the whole question of the amount of employment in manufacturing as a percentage of the total work force, which has declined in these years.

The government response to the whole manufacturing problem is totally inadequate. Does the Treasurer really realize that in this country in 1978 we had a deficit of more than $12 billion in manufactured goods?

I would make a suggestion to the Treasurer if he is serious about at least starting out to try to solve the problem. I would start out by doing something which the Minister of Industry and Tourism has already done—he has done it only in a half-baked way, however—by getting together, sector by sector, the important goods that are imported; inviting the buyers of those goods to come to a trade fair of sorts and saying to them: "These are the things that are imported now. We want you to start seeking out Canadian producers."

Then he should bring in potential manufacturers and say to them: "Here are the products we would like to see you produce in this province"—or this country, not just in Ontario. He should encourage their participation in those sectors, particularly in the machinery sector. If there's a response out there that's inadequate then he should take the next step and say: "We are prepared to go into joint ventures in order to rebuild the manufacturing sector in Ontario."

If there are still no takers out there for joint ventures, then he should pick a sector, such as mining machinery, and do it through the crown corporation route to make sure we have some import replacement capacity in the province of Ontario; which is sadly sadly lacking now, and which is what's causing our enormous current account deficits.

When one looks at the import penetration of key sectors, just to name a few—these are Canadian figures and all high technology goods—there is 50 per cent import penetration. These are the latest figures I could get. In machinery, it is 71 per cent; mining machinery, 78 per cent; electric products, 30 per cent; textiles, 53 per cent; consumer electronics, 63 per cent; and computers and office equipment, 90 per cent.

That's domestic demand that's met by imports. The Treasurer shouldn't be happy with that. He should be prepared to move in and try to turn that around.

I want very specifically to give some examples of sectors that drastically need action. In machinery, the 1977 trade deficit was $4.8 billion. That's three times what it was just 10 years ago. The Ministry of Industry and Tourism itself admits that Ontario would gain 47,000 new jobs just by replacing imports in machinery. One sector alone would have that kind of impact. We are the only industrial nation that imports more than 50 per cent of our machinery and equipment needs.

Areas where we have very high imports, such as farm equipment, forestry, mining and construction, are the very areas—and this is what adds insult to injury—where we have such enormous domestic consumption. The argument is always used that with a small population we couldn't do that. These are areas where we have enormous domestic consumption, yet imports are still meeting the majority of our needs.

Look at mining machinery. It's an area that's dear to my heart. We are number three in the world in mining production. We are second in the world in the consumption of mining machinery and first in the world in the import of mining machinery. In 1965 this country imported 59 per cent of its mining machinery. The latest figure I have is that it has risen to 91 per cent. There are different figures for that, but the highest I have seen is that 91 per cent of our mining machinery needs are being met by imports, though we are number three in the world in mining. Once again, a high domestic consumption is being met by imports, not local manufacturing.

Electrical products: The unions involved in the electrical products field claim that 23,000 jobs have been lost in this industry just in the last five years. In 1977 the trade deficit was almost $1 billion in this sector alone. We import $3 for every $1 that we export in electrical products. As a matter of fact, this country is the world's greatest importer per capita of heavy electrical equipment. One thinks of the large number of capital-intensive jobs, with big machinery and large electrical products required, yet here we are importing them instead of meeting our needs domestically.

When it comes to food processing, we have detailed in this Legislature, through the Treasurer, that imports account for 25 per cent of the processed fruit and vegetable market, and about half of those could be produced in Canada. Of course Ontario would be central to that. I can think of no better place than the Niagara peninsula to establish a thriving food processing industry.

Those are some of the specific sectors we could take a look at. We should try to rebuild them, because we are not dealing with

the structural problems the way the Treasurer is going about it. The Treasurer and the Minister of Industry and Tourism sprinkle their EDF funds across Ontario but do not really create much employment at all. It is almost like adding food colouring to food. It really doesn't change it, it just puts a glow on it; it doesn't get at the problem at all.

The other area I wanted to talk about briefly is resources. I mentioned at the beginning of my remarks that here we are selling off our resources, forever it seems, and not maximizing a return on them; the way, for example, Saskatchewan has done. I won't go into detail and comparison. It is a sad comment indeed on the stewardship of this government the way it has handled resources.

I picked up a mortgage market letter from Greymac Mortgage Corporation.

Mr. T. P. Reid: I got one, too.

Mr. Laughren: They were quoting a government table: "A government table illustrating comparative impacts at various stages of the mineral production and processing system shows the GNP generated in the overall economy as a result of the production of a dollar of mineral output at each stage to be: mining, $1.50; smelting and refining, $1.38; iron and steel plants, $1.37; semi-fabrication, $1.48.

"It appears we can almost triple the value added to our economy by processing a metal within Canada."

I don't know how long we—my colleague from Sudbury East (Mr. Martel) in particular—have talked about the necessity of further processing our minerals in this province. The new wealth that would be created would go a long way to turning around the decline in the Ontario economy. And what a beautiful lever that is for the further industrial development of Ontario.

The response of the government is to give yet more processing allowances to the big companies, which really doesn't solve the problem at all. It really is offensive to think that Falconbridge has been in Sudbury for more than 45 years and still doesn't even have a refinery there. Neither does it have any intention of installing one. If they were a struggling little entrepreneurial enterprise perhaps I could understand it, but they are not at all. They are part of massive Superior Oil. They have all sorts of money, and yet the Treasurer says, "They really can't afford to do it." What a lot of nonsense.

That's why when we talk about bringing the resources into the public sector we are very serious about it. We think that is the only way we will ever maximize returns, the only way we will ever ensure that we develop a mining machinery industry in Ontario, and the only way we will be able to process those resources to their maximum. The return is enormous as long as we can do it.

[4:00]

Those are some specific suggestions. It would be very nice if the Treasurer would act on some of them. If he would even start with one it would at least give us some hope.

We've said to him in the past that instead of sprinkling the Employment Development Fund all over Ontario, take a specific sector, one of those I have mentioned or one of his own choosing, and start rebuilding it. Rebuild it sector by sector until we again have a thriving manufacturing industry in the province of Ontario, because we don't have it now.

I'd like to talk for a couple of minutes about the foreign ownership of the Ontario economy, because we always have such interesting exchanges, particularly if the Minister of Industry and Tourism is here. The Treasurer also has a rather knee-jerk reaction to the whole debate.

The argument that's always used is we need foreign investment to create jobs. That's his argument. I sometimes think, when I hear the Treasurer—

Mr. Martel: He created the problems.

Mr. Laughren: —or the Minister of Industry and Tourism talk about jobs when we're faced with unemployment, of that old expression and I think jobs have become, "the last refuge of the scoundrel."

Mr. T. P. Reid: Tough times.

Mr. Laughren: In fact the argument simply does not hold water. The real reason for the encouragement of foreign investment—though governments don't often want to admit it—is simply to offset the current account deficit; but the Treasurer will always use the job argument instead.

I picked up a copy of the supplement to the Foreign Investment Review Agency 1978-79 annual report, filed under the Foreign Investment Review Act. It tells me that in Ontario, in the five years from 1974 to March 31, 1979, 21,520 jobs were the direct employment benefits of investments.

The Treasurer will say you can't sneeze at that many jobs, but I want to tell you, Mr. Speaker, the outflow of interest and dividend payments during that same period of time totalled $18.2 billion. Eighteen point two

billion dollars was the outflow of interest and dividend payments. That's some kind of payoff.

It was accumulated foreign investment that caused that drain of $18.2 billion during that five years; it's because of foreign investment he has that drain of the $18.2 billion. The Treasurer's arguments are spurious at best and specious at worst, when he uses the argument of job creation and ties it to foreign investment.

By the way, that same document goes on at some length about the problem of takeovers in high technology industries. I'll quote directly from the annual report. This isn't even the supplement, it's the annual report itself. I quote:

"As in 1977-78, the number of applications to acquire manufacturing businesses accounted for less than half the total, though it did increase from 125 to 172. High technology businesses—metal fabricating, machinery, transport equipment, electrical and chemical products—were the object of the greatest increase in acquisition activity, along with the food and beverage industry. Assets of acquired manufacturing businesses rose from almost $700 million to $1.6 billion. Fiscal year 1978-79 was the first year since 1975-76 in which the service industry share of the total acquisition applications decreased from 51 per cent to 45 per cent."

The Treasurer can even turn a blind eye and deaf ear to that problem of high technology industries. What's happening is not only are we losing that which we already had, we're losing our future, which is in the high technology areas. For what? For higher interest and dividend payments down the road.

Mr. T. P. Reid: What about nuclear development?

Mr. Laughren: Mr. Speaker, I want to tell you that's a very worrisome aspect of what's happening in the Ontario economy. Ontario, which is the manufacturing capital of the world, is where the bulk of the takeovers and new business enterprises are occurring. What does the Ontario government do? It approves over 90 per cent of all applications; and it doesn't seem to matter that it is in high technology areas.

I don't know what the Treasurer thinks we are heading for down the road, but I can tell him we are heading for an ever-increasing level of deficits on interest and dividend payments. Perhaps the Treasurer understands why I feel so strongly that collectively they have got their heads in the sand over there.

Despite the fact that the Foreign Investment Review Agency refuses to acknowledge the problem—and by the way, when I read that report I noticed they talk about all the benefits of foreign investment, how it has got to be in the Canadian interest and all that; but from what I can see there is no mention at all of what the disadvantages are. I think even the staunchest Tories would admit there are some disadvantages to foreign investment. I think they would agree to that, but FIRA won't even admit that.

We know there are disadvantages, because we know the branch plants don't do their share of research and development. We know we don't get our share of skilled jobs; one needs only to look at the auto industry to see that. We know the branch plants don't take advantage of export markets. We know that the dividend and interest outflow is substantial. In summary, we simply have less control over our own destiny because of the tremendous amount of foreign ownership.

Those are some of the problems, Mr. Speaker. I would like to suggest to the minister that he do some specific things before we approve this motion of supply today. I think he should take another look at some of the suggestions we presented to him last spring in our response to his budget. I will reiterate them to him very briefly.

We said he should establish a shared-cost program on apprenticeship training for 10,000 young people, at a cost of $40 million; a home-insulation program, 2,300 jobs, at a cost of $10 million; a solar heating subsidy, 1,500 jobs, at a cost of $30 million; a co-operative and non-profit housing program of capital grants, 14,000 jobs, at a cost of $35 million; loan-assisted housing for families and senior citizens, 8,000 jobs, at a cost of $55 million; a $25 million expansion of the Ontario Home Renewal Program, 1,500 jobs; special grants for hard services in northern Ontario, $25 million for 1,000 jobs; and $150 million to accelerate provincial and municipal capital projects, for 7,500 new jobs.

I want to tell you, Mr. Speaker, the Treasurer may say we can't afford that kind of thing. I wonder if he can afford the kind of potential tailspin we could be headed for with the Ontario economy. I am sure he has read the Conference Board in Canada projection that in 1980 there will be 10,000 new jobs created in Ontario. I shudder to think if they are correct; and they are not far out on this year's projections. The conference board is not the kind of body that normally makes extravagant projections on either side. I would like to know what the Treasurer

thinks of the conference board projections. He is going to have to do something.

I haven't heard a peep from the Treasurer about what he is going to do in terms of job creation, either direct or indirect, because of the interest rate increases or because of the oil price increases. If he wants to use the US recession argument, let him; but I haven't heard a peep from him about what he is going to do, either this winter or next year. It takes time to get programs in motion; and the Treasurer sits there benignly, blinking in the bright sunlight.

Mr. T. P. Reid: I wouldn't have chosen that word.

Mr. Laughren: Well no. I would suggest that the Treasurer go back and take a look at some of those suggestions. They are as valid today as they were six months ago. I would like to know what plans he has in terms of implementing studies, to start with on what the effects will be of these interest rate increases and oil price increases. I think it is time the Treasurer involved himself in the nuclear debate, quite frankly, because of the enormous implications for the consumption of capital in Ontario.

I haven't heard the Treasurer talk about nuclear energy. Darlington is going to cost over $4 billion. That's a draw on capital, and of course with interest rates the way they will be, that is very substantial. The Treasurer has to look at that. I think he should seriously think about making some tradeoffs, between nuclear and the alternatives, such as solar energy and conservation measures; all of which by the way were outlined very succinctly by my leader a couple of months ago.

Mr. Hodgson: You're very proud of him, aren't you?

Mr. Laughren: Yes, I am, as a matter of fact. At least he is addressing the issues, which is more than I cay say for the Treasurer.

The Treasurer has not done anything in terms of stimulating conservation measures in the province of Ontario. I think that's the responsibility of the Treasurer as much as it is of the Minister of Energy (Mr. Welch) or anyone else. The Treasurer is simply not taking a lead in these critical matters.

The Ontario Research Foundation has done some work on the whole question of solar energy and some of the potential for businesses. Where is the Treasurer there? If the Minister of Industry and Tourism isn't doing it, why isn't the Treasurer? There's a lot at stake here. The Ontario Research Foundation has outlined a number of business opportunities in the province of Ontario. The Treasurer is the great free enterpriser. Here's his opportunity to stimulate small business and at the same time do some very good things in the conservation of energy.

I'll give him some examples which he might want to talk to his friends about: Exterior coatings, solar collector glazings, solar collector sealants, collector plate materials and coating, thermal insulation materials, solar heat transfer and storage systems, frame and housing materials; these are some things which the Treasurer should be encouraging the private sector to get involved in. They're not doing it for him. These are his friends. Talk to them; maybe he can get them to take some action.

When I look at the potential for employment in this area I think why aren't the Treasurer and the Minister of Industry and Tourism involving themselves in this as well? According to the federal Department of Energy, Mine and Resources, strictly in the Ontario region, if we were to move towards implementation of some solar heating experiments and so forth, it would create in total, indirect and direct jobs, 1,766 jobs by 1985; 14,000 jobs by 1990; 31,000 jobs by 1995; and over 43,000 jobs by the year 2000. Not only are they jobs, they're good jobs and they're jobs that can conserve energy. That is something the Treasurer should look at. It also would decrease our dependence on nuclear, which in itself would be a very good move.

Those are some of the things we would like to see the Treasurer do. We're going to support the supply motion, but there are a number of my colleagues who feel so passionately about the problems in the Ontario economy that I know they're going to feel compelled to speak and to share their wisdom with the Treasurer.

Mr. T. P. Reid: Mr. Speaker, I want to make four points. First of all, I want to say how shocked I was at the interjection and then at the point of privilege put by the Premier (Mr. Davis) in the early minutes of this debate.

As I understood the Premier, what he was saying in effect was that there had been an agreement amongst the House leaders that the motion as presented at the House leaders' meeting had been accepted in each and every specific detail, that that had been agreed on by the House leaders, therefore my House leader was now reneging on that deal.

An hon. member: The Liberal House leader.

Mr. T. P. Reid: Our House leader; thank you. We'll shorten it, to the House leader for the Liberal Party.

Ever since the member for Brant-Oxford-Norfolk has been the House leader, as far as I know he has yet to make any kind of agreement with the other House leaders without either referring it to the caucus or carrying out his function, which is, as I understand it, simply to agree on the order of business in this Legislature. As far as I'm concerned the House leaders have no mandate to be running this Legislature and debating these matters amongst themselves.

Mr. Nixon: That's right.

Mr. T. P. Reid: That's what this forum is for. We've got enough totalitarianism on that side of the House, with the Premier and the way he operates, without the three House leaders agreeing on matters that are supposed to be debated in this chamber.

[4:15]

I suppose it's not that much out of character for the Premier, because he has a great deal of disdain for the machinations and operations of this body, but surely it's a function of this legislative chamber to arrive at those kinds of decisions as to whether we're in agreement with something or opposed to it. Certainly, as my House leader pointed out very clearly, he doesn't see that as his function either. In fact, that's what the Legislature is here for. I don't know what the NDP position is, but I would hope they would agree that the chamber is for making—

Mr. Nixon: They have one thing one day and something else the next.

Mr. T. P. Reid: —those decisions and not the function of the House leaders. That's the first comment that I wanted to make.

Hon. Mr. Walker: The member is not supporting his House leader.

Mr. Nixon: Certainly he is.

Mr. T. P. Reid: I certainly am. I'm supporting what he says exactly. The function of the meetings of the House leaders are to facilitate the business of the House and to make sure of the order of business.

Hon. Mr. Walker: The member is not giving him his support.

Mr. T. P. Reid: It is not to make the decisions or to vote on matters of substance. That's what we're here for and that's what these debates are for. I know that's not the Conservative view of democracy.

Hon. Mr. Pope: The member doesn't have to lecture his House leader.

Mr. T. P. Reid: It's a strange thing, Mr. Speaker, that in the last week I've heard the most anti-democratic speeches from that side. Starting with the member for Oriole (Mr. Williams)—

Mr. Nixon: He is their principal philosopher.

Mr. T. P. Reid: —in the debate on my resolution on public opinion polls, when he stood in his place and said that we're not allowed to have this background information, we're not allowed to have this research, we're not allowed to have the public opinion polls because it would only confuse us and the general public if we had knowledge of what the government was doing in this chamber. Then today the Premier stands and says this little triumvirate, as he sees it, is making the decisions that this body is supposed to be arriving at.

Mr. Nixon: A serious misunderstanding on the part of the Premier.

Mr. T. P. Reid: I find it the height of arrogance for the Premier and the member for Oriole to speak in this kind of vein. The Premier has one of the most selective memories in the place on occasion—and perhaps the Treasurer too. He seemed to feel that what is happening here today has never happened before.

Hon. Mr. Walker: Oh, no; there were times when you people have agreed before.

Mr. T. P. Reid: The Treasurer, at least, does not agree with the Premier that this is something new. The precedent was on March 18, 1976 when the House leader for the Liberal Party got up and amended the same type of supply motion for the then Treasurer, Darcy McKeough—and my, how we miss him.

Mr. Nixon: He was a good Treasurer.

Mr. T. P. Reid: He was a good Treasurer. At least he knew what was going on and how this place operated. I can't remember him having that foot-in-mouth disease that we saw the Treasurer fumble through earlier today. Mr. McKeough said, in response to the amendment put by Mr. Nixon, and I quote him: "I have no trouble in accepting the amendment to my motion prepared by the honourable member for Haldimand—"

Mr. Nixon: Brant.

Mr. T. P. Reid: —"Brant-Oxford-Norfolk"—I wish we could do something about changing that, Mr. Speaker. So there surely is a precedent for this debate and for an amendment to be put forth. As I say, there are perhaps selective memories on that side

that certainly don't square with the practice and precedents of the House.

I'd like to make two or three remarks about some related topics in regard to the expenditure of money and the vote that is going to take place. I suppose it's a little ironic that we probably won't get to it this afternoon, but perhaps in the evening sitting we're going to be dealing with amendments to the Crown Timber Act.

It's an ironic juxtaposition in view of the fact that for the last six weeks in this Legislature we've been dealing with the oil problem and the lack of oil supplies in Ontario, and this evening we're going to deal with amendments to the Crown Timber Act, the only real renewable resource that we have in the province of Ontario, a renewable resource that the Treasurer, in his former emanation as Minister of Natural Resources stated, with his usual fanfare, that he saw as the number one priority of the Ministry of Natural Resources.

Members will recall one of our previous elections when the government was feeling the heat. There was the great Brampton charter and the Premier going back and forth across the province—two for one; we were going to plant two trees for every one cut down in the province. Wasn't that marvelous?

This Tory government, known for its great management of the economy and the resources of the province, after then about 34 years in power decided they had a problem and they were going to plant two trees for every one that was cut down for either pulp and paper or lumber.

What a con game that was. It never happened and it isn't going to happen. The Treasurer, who was then the Minister of Natural Resources, made commitments of this kind as well, backing up the Premier.

What have we seen since? We're hardly any farther ahead in our regeneration program than we were then. There have now been 36 years of Tory mismanagement of that renewable resource. It is becoming even more important today, not just because of its effect on the Ontario economy in terms of jobs and of exports, particularly to the United States, and the billions of dollars we gain in our balance of payments through the export of pulp and paper and lumber, but also because it is now a renewable resource in terms of energy supply.

I know in my riding people are going back to wood stoves and heating their houses with wood. Also it is important in terms of methanol which is going to be, I think, part of our salvation in this province in regard to a renewable energy supply. Yet we don't hear anything from the government on that side. That would take some imagination and some kind of commitment and some kind of new initiative, which the government has run out of, obviously.

It's ironic that we don't hear anything about renewable energy supply from the forests of the province. I suppose there is a good reason: under 36 years of Tory mismanagement we're in a crisis situation and it's going to get worse in the next 10 or 15 years. In the years ahead we're going to be really faced with a crisis in our forest industry.

The member for Cochrane South (Mr. Pope) is spitting and spluttering like the Premier was earlier; purple paranoia is spreading through the ranks over there.

Mr. Nixon: He didn't use to.

Mr. T. P. Reid: Yes, I recall that member wasn't quite as keen on government policy as he seems to be now. It was a few scant months ago, if I recall correctly—

Mr. Nixon: It was an extra five days.

Mr. T. P. Reid: —that member resigned as a parliamentary assistant on the basis he didn't like the lack of policies of the Conservative government in regard to northern Ontario.

He should be sitting over here on either this side, or if he is really desperate on that side.

Interjections.

Mr. T. P. Reid: He is just a junior Marvin Shore. He, at least, had the courage of being bought off to make the switch completely.

Hon. Mr. Pope: Who's the Labour-Liberal?

Mr. Mackenzie: Get rid of those people.

Mr. T. P. Reid: I am concerned about people's jobs in my riding and in northern Ontario, which he should bloody well be concerned about as well. He was, for all of about two weeks, until the Premier called him in and said, "Sonny, this isn't the way we work in the Conservative Party. Just calm down and your reward will come to you. Patience is a virtue."

All of a sudden we see that great conversion back to the Mickey Hennessy type of member, pounding his desk blindly without any knowledge of what's going on in this chamber.

Hon. Mr. Pope: Two seats; that's all you're going to keep.

Mr. T. P. Reid: I don't think that member will be around when they read his speeches and his press statements about how little the

Conservative government was doing for northern Ontario.

Hon. Mr. Pope: You said it.

Mr. T. P. Reid: I said it, certainly; but he said it as well. I would have thought he'd be supporting exactly what I'm saying here.

Mr. Nixon: As any reasonable person would.

Mr. T. P. Reid: Mr. Speaker, I would draw to your attention, and perhaps somebody could read it to the member for Cochrane South, an article in the Toronto Star on Saturday May 5, 1979 entitled Ontario Stalling as Vital Forest Devastated. The writer had the good sense to quote me rather extensively in this article.

The present Minister of Natural Resources (Mr. Auld) is here, as are two former ministers of natural resources. I am sure we will have a third one before too much longer, because he will be unable to deal with the problem.

Hon. Mr. Bernier: If it weren't for us you wouldn't be re-elected, and you know it.

Mr. T. P. Reid: Yes. I noticed all the donations and all the people banging on doors.

Hon. Mr. Bernier: Who takes all the credit? Who tried to take the credit? The member for Rainy River.

Mr. T. P. Reid: Take all the credit for what? I am not taking any credit for the way they devastated the forest. That is not my line but the headline in this particular article.

I was referring earlier to the remarks in the Brampton charter, which has got to be one of the biggest con jobs we have seen in a long time. Let me quote from this article the words of a member of the staff of the Ministry of Natural Resources:

"Today the commitment is sneered at within the province's own bureaucracy. 'It was a stupid statement,' one Natural Resources official says bluntly. 'It certainly didn't come out of this office.'"

Well, what can we do?

I might go on with the next paragraph which I am sure, Mr. Speaker, you are particularly interested in:

"Pat Reid, Liberal MPP from Rainy River, called the province 'almost criminally negligent' in letting the northern forest shrink."

I thought you would be interested in that. Another quote:

"'We haven't received either the money or the staff to follow through,' acknowledges Bill Fullerton, director of the ministry's forest resources branch."

Mr. Nixon: Is he still working for the government?

Mr. T. P. Reid: There are three of them sitting there like one large lump. There isn't any commitment or any new thought amongst the three of them to really do very much about the dwindling forest reserves in northern Ontario.

I want to say one other thing: We are voting interim supply to the end of the year; we are giving the government carte blanche to go ahead and carry out its government programs, to spend those moneys it is supposed to on salaries of the civil service and other items.

One of those items, in which I would presume the Treasurer, I am sure in fact, will be particularly interested, is public opinion polls taken by the various government ministries. I hope the Treasurer is listening, because in the last few years, between 1975 and 1979, the Ministry of the Treasury and Economics has been one of the biggest users of public opinion polls.

Hon. Mr. Pope: Oh, oh; here we go again.

Mr. T. P. Reid: On two separate occasions they did a survey of public opinion on some economic perspectives and a survey of public opinion on various economic problems facing Ontario, at $60,000 a crack. The total cost of these polls in these years is over $1.5 million.

The Treasury is taking these surveys and these opinion polls, which I am sure the Treasurer in his wisdom huddles over and reads late at night under the sheet, because they are apparently stamped secret and not available to members of the Legislature. They are not tabled here and therefore they are also not available to the public at large.

All we can assume on this side is these public opinion polls being taken by the Conservative government, paid for with taxpayers' money, must be such an embarrassment to the government they are afraid to table them, or secondly they are being used for partisan political purposes. If you look at some of the dates when some of these polls were taken, Mr. Speaker, you will find in many cases it wasn't too long before certain elections took place in the province of Ontario.

Hon. Mrs. Birch: Oh, Pat.

Mr. T. P. Reid: Now Margaret, don't say, "Now Pat."

The Premier stands in his place. He goes around the province and I must say he has become so good at it—of course if you do your same act year after year you become somewhat professional.

[4:30]

I think he reached his climax with the Brampton charter, because he could reel that one off without any grimace of sensitivity as to what he was saying, but he can stand in his place in this Legislature, he can go across the province and he can wring his hands and he can look pious, which he does amazingly well.

If Oral Roberts ever goes out of business the Premier can take his place. He talks about a freedom of information act, and all the province of Ontario is doing about this is spending millions more on a royal commission which is not needed; we've been through that one before.

Here is a practical demonstration of where the Premier could set an example by making these documents public. Nobody has ever been able to explain what is secret about them, why they should not be made public, except that it is "the policy of the government"; whatever that means.

Mr. Philip: He can't even make public the forum at the inn this afternoon. He's not even going to make public one of their surveys.

Mr. T. P. Reid: I would say to my friend who just interjected, the Premier had the nerve to stand there this afternoon in his place and talk about hypocrisy; and I say to the Treasurer the Premier knows whereof he speaks because there is nothing more hypocritical than for him to talk about a freedom of information act and then to withhold that kind of information which has been paid for at public expense.

We have rules, Mr. Speaker; as you know, I have brought to your attention that under 26(c) and 33(e) of the standing orders of this House, a compendium of information in regard to policy and legislation should be tabled with any bill or policy statement. We haven't any of that. If they are not being used for policy and legislation, which is what the Premier is indicating and what other ministers are indicating, then what are the polls being used for? What are they being used for?

I can understand a survey in order to evaluate the effectiveness of some of the government programs, and some of the titles of those public opinion polls would indicate that that's exactly what's being done, but there is no reason why those should not be made public and why they should not be tabled here in the Legislature.

Mr. Hodgson: Mr. Speaker, a point of order. Is this the budget debate or are we on a resolution on supply?

Mr. Stong: You woke up. Why weren't you here?

Mr. Hodgson: I have been listening to that crap all afternoon. The member for York Centre just came in. Where has he been all day? Did he have a case in court or something? Let's get back to our resolution. I think the member for Rainy River is out of order.

An hon. member: One of the best speeches we've had in almost a week.

Mr. Eakins: Certainly, an excellent speech.

Mr. Speaker: I think we determined the nature of this debate quite early with the approbation of the Treasurer and spokesmen from all sides of the House. If I captured the mood of the House on that occasion they wanted a wide, far-ranging, unfettered debate. That is what members are getting.

Mr. Hodgson: We sure are.

Mr. T. P. Reid: Thank you, Mr. Speaker.

Interjections.

Mr. T. P. Reid: I trust, Mr. Speaker, you weren't referring to my comments as wide-ranging. I think I am zeroing right in on some of the problems that we are facing here in the province of Ontario.

Mr. Eakins: I guess the truth hurts, eh?

Mr. T. P. Reid: However, I say with regret the government—

Mr. Hodgson: The same old speech he gave 10 years ago.

Mr. T. P. Reid: I am going to keep making the same speech until this government gets a little injection of the democratic spirit.

Mr. Hodgson: Just keep making it; the member will never be on this side of the House in order to make those kinds of speeches.

Mr. Speaker: Order, order.

Mr. T. P. Reid: I can say to the honourable member, Mr. Speaker, that once the arrogance and the dictatorial approach of the Premier and the Conservative Party gets out to the public, and it is getting there, then those people over there are going to be sitting over here, but in very few numbers, because the people want to know what is being done with their money. They are entitled to know what is being done with the taxpayers' moneys that is being spent on these public opinion polls in particular.

I say with regret the last speaker for the NDP indicated his party was going to support this supply motion. I say after the week I have spent in here—this last week particularly, given my resolution on the public opinion polls which the government wouldn't allow even to come to a debate, and with the two stooges they had making those

speeches of the most anti-democratic nature I have heard in a long time, almost since the police bill, in this place, speeches I just cannot accept—I say that I am not willing to vote more money or interim supply to the government to allow it to continue in this undemocratic arrogant fashion, and I for one will not support the motion.

Mr. W. Newman: Pat, you have been here too long.

Mr. Mackenzie: Mr. Speaker, I want to say at the outset there would have been problems in my caucus had there been any attempt by our House leaders to muzzle us in this particular debate.

When I look at the business for Tuesday, October 30, and see "Resuming the adjourned debate on the amendment to motion that this House approves in general the budgetary policy of the government," and when I realize we are talking on a motion of supply and government spending, then I think probably all of us, including this side of the House, have been derelict in not being a little more specific or a little harder hitting in terms of just exactly how the government of the province of Ontario is spending our money.

I think there are some priorities that are away out of order and in a very short period of time—I am not going to go very long—I want to express to this House the frustrations I am having in terms of my work as an ordinary member of the Legislature and as a constituency worker, where we do our darndest to serve the people who come to us.

I am faced with a couple of things. Without going into great detail, let me give two examples of either expenditures or potential expenditures or expenditures that we are starting on as a result really of government policy and government priorities. My colleague, the member for Nickel Belt (Mr. Laughren), mentioned briefly the expenditures that we are now into in terms of the Darlington operation, another major nuclear plant in the province of Ontario, and I am not yet clear in my own mind as to when and if that particular plant is needed. I do know that we are sitting right now with a surplus of somewhere around 18 per cent, and that's over peak periods, in terms of electricity in the province of Ontario.

I also know that when we finish the second phase of Darlington and Bruce we will have a potential 60 or 70 per cent over-capacity; and that's based on the kind of growth, which has dropped sharply, that we have in the province of Ontario now. So we are already digging out and have a huge mound of earth on which they have spent some money trying to landscape a little bit out at Darlington for another plant on top of that, which the most conservative estimates seem to indicate we don't need until late in the 1990s, and what may very well be reliable estimates put away beyond the year 2000.

Without an approval, without a licence, we have already signed more than half a billion dollars, $500 million, in contracts for that plant; and we are facing, as I say, if we go ahead with it, $5 billion. I suspect it will be more but that's the estimate now. What could we do with that money, and why is that money going into that kind of a project when we are as uncertain as we are in the needs for that project?

Let me back down from that major project in terms of government expenditures to a more minor one, but still a major amount of money in my own riding. We are having one hell of a fight in the Hamilton area over the need or lack of a need of a major six-lane freeway down the Red Hill Creek valley. While every developer that I know and the trust and insurance companies seem to want it—they are the ones who presented most of the briefs in favour of it to regional council—the people who live not only along the route but for a good many blocks on either side in those wards, and I think a majority of them in the rest of the city, don't want it and they are mobilizing effectively, and they are speaking from the heart as ordinary people, against it.

If we take the favoured route, the one the ministry wants—and the transportation ministry hasn't been too silent on this—the one the planners want in the city, the regional council, we find that the cost of that, about three-quarters of which is going to be borne by this provincial government, is somewhere between $80 million and $100 million. We are looking at a $60 million to $80 million cost for that freeway, which you can argue very strongly against on economic grounds, strictly apart from the environmental grounds.

One of the big arguments they are giving us is that it is to pour cars down into the heart of the city for 28,000 new jobs in the very core of the city and 12,500 new jobs on Stelco and Dofasco property. Nobody can tell me where those jobs are going to appear on those properties.

We are probably going to have maybe an extra 3,000 or 4,000 jobs in the heart of the city. We are probably going to have jobs cut with automation in those plants with

some of the new plans they have on the drawing board now, or at least cut equally in ratio to the expanded work force there may be with some of the additions to the mills, but we are getting crappy arguments in terms of the need for that particular expenditure on that particular road. People are coming to me in my constituency office, and asking why.

We are spending $5 billion on Darlington when we don't know if we need it. We certainly don't need it for a considerable period of time; we are not sure when we are going to need it as yet. And why spend $60 million or $80 million on a six-lane freeway down the last greenbelt in the east end of the city that the people don't want; and also when there is some serious question as to the economic judgement in that kind of a decision or that kind of a route?

People come into my office and say to me, "Mr. Mackenzie, what's wrong with the expenditures of this government?" This lady says to me, "Why don't you call a press conference and bring me down to Toronto to tell the ministry what's happening to me? Why don't you do something?"

I want you to know, Mr. Speaker, that I have been doing something. I have been writing to the minister until I am sick of writing to him.

I have a situation involving Mrs. Teresa DiMascio, Ottawa Street apartments in Hamilton, who receives FBA, GAINS allowance and CPP. Her total income right now is $297 a month. Every time the CPP portion goes up her Ontario share comes down, so she doesn't even keep up with the cost of living.

What is Mrs. DiMascio trying to live in and live on and what does she have? This is a case where she would love to come before this House and stand in my chair with this information. The doctor tells her, and has written me a letter to that effect, that she is on a special diet. She is supposed to have fish two times a day. She doesn't have enough money to purchase the proper foods for her medical condition.

She is paying $177 a month in rent. To illustrate how demeaning that is to people, when she adds up her necessary costs, she has got about $90 left per month for food and clothing. She is a bit of an institution in the Hamilton Centre shopping area because probably her only enjoyment in life is walking almost every day through that centre. All of the merchants know her, and I think they all respect her for her fight for the specials on at the supermarket or the food that is a little old.

She has had to remove the cable from her television set. She has had to remove her phone. Her entertainment is nil. She comes to me and says; "What are they doing to me? Why don't they see the circumstance I am in?" I say to her: "Mrs. DiMascio, there is one thing we can do for you. We could probably get you into a seniors' apartment"—she happens to be 63 right now—"at a much lower rate." She says to me—and I admire her will to fight this long—"For 14 years I have lived where I have. I know the people on the rounds I make every day through the centre. I don't want to move out of the apartment I have. I don't want to move out of it to another part of the city, even if it meant that I could get my rent for $60 or $70 or $80 or $90, or whatever I might end up with on a subsidized rent, and have a few extra bucks to spend." But she is still not going to have enough for a decent living.

I ran into a lady in my office just the other day who was 58 years old and lived alone. With CPP at $131 and unemployable FBA benefits of $58.82, she had an approximate total income of $190 a month. Her rent is $47 as we do have her in subsidized housing. Her telephone costs her $8.03. She has kept it up until now, but she is now considering taking it out. Her usual expenses are $55. That leaves her a total of about $135 on a 30-day month. She has worked it out to $4.50 per day. You should see the budget that she has brought into our office—$4.50 per day to feed and clothe herself. She buys five tickets for $1 for transportation, and that cuts into it. She is in the same boat. Every time there is a CPP increase her Ontario share goes down.

[4:45]

What are these people purchasing? What are they doing in terms of stimulating our economy, and how are we treating them? Does this government have no priority in terms of its expenditures?

There was one other case I was going to use but I'll drop it because there are two or three other points I want to make.

I wrote to the Minister of Community and Social Services (Mr. Norton) on June 25, 1978. He said, "In reply to your letter re regular cost-of-living increases to people on GAINS, it is a federal requirement that increases in CPP pensions must be reduced dollar-for-dollar from provincial social assistance payments. It has been a matter of considerable concern but to date we have been unable to resolve the problem with federal authorities."

I think it's the weakest excuse I've heard. Nobody can tell me there are not means to get around that. But he now has some friends in Ottawa. In terms of his priorities and spending policies what is he going to do about somebody in that position?

He only needs to look, if he has them coming to his office, at some of the problems of the blind, of epileptics trying to find employment, of people who are suffering, and people from the Workmen's Compensation Board. What do you say to a fellow who worries about his house, who runs into all of the problems of establishing a decent pension level?

Take a person who has worked as an auto mechanic, made reasonably good money, has a family, is trying to meet the payments still owing on his house—he's no longer a youngster; he is in his 50s—and he has an accident that really damages his hand. He spends eight months in hospital on therapy as they try to repair him. He finally goes back to work, but the company says he can no longer work; and he can't. On a piecework basis he couldn't make anything, so they put him on a lower hourly rate.

For a period of time he was able to get an income supplement which amounted to $153 every two weeks on top of $400 some-odd income per month. He was on that for a number of months. He was working 16 hours as a mechanic, even though he can't do the piecework and earn the rate. They decided he should no longer be entitled to the almost $300-a-month income supplement. They finally established a two per cent disability for him. It's now under appeal, but he's gone through some agony in the meantime and he is going through it right now.

On top of the 16 hours a week he's getting from the firm he used to work with, he's now getting $20 a month. Add that $20 a month to the 16 hours a week work and he finds, as he comes into my office, that he can't meet the payments. He has problems with the kids, he has problems in holding the family together; the man is desperate.

Our priorities in this province are adding to situations like that. I really wonder where our spending priorities are. There's something haywire in ordinary decent issues, not in philosophy or ideology at all, as I see it. Something has to be done to change our direction.

Why is it that we've had three years of pretty savage and severe restraints on the 51 children's aid societies in the province?

We have a number of problems with abused children and difficult-to-handle youth. But still we had appeals from the 51 agencies on their allotment a year ago. Why are we facing 33 appeals, and the threat by at least three agencies to surrender their charters in the field of children's aid funding and financing? What's happening to the people they're trying to service?

Why do we have a lady from the Council of Women in Hamilton, who met with some members of this House yesterday, telling us her group was just not accepting referrals to their children's aid society unless it was literally a matter of life and death? Who can be proud of a situation in this province that has reached that stage in terms of service to people? Why don't we see action from this government when we ask questions about the increased interest rate? What is going to happen to the people?

A lot of Ontario Housing units over the last five years have been sold to some of the tenants. Most of them carry mortgages that seem to be in the eight per cent or eight and three quarter per cent interest range. They are up for renegotiation; they are up for change in 1980 to cover a period of time. How are they going to afford it? I know some of them and I helped some of them; I sent them to various agencies, and lending agencies. How are they going to scrape together the additional payments when they are right on the border line now? These are people like some of the people I have been talking about.

How do we explain the situation to people? A young couple, perhaps both of them working—and that's of course the danger—they may be making a fair combined wage in one of the plants—may look at a house in the conventional market today. One year ago, October 1978, to finance a $60,000 house they needed $567.24 a month, based on 25 per cent of their total income with a 10 and three-quarter per cent mortgage. An annual income of $27,227.52 was needed to maintain that payment. One year later, in October 1979, on a 14 and three quarter per cent mortgage that same couple does not need $567 a month but $736.82, and an income of not $27,000 but $35,367.36. Where does that money come from? That's a $60,000 home based on 25 per cent of income.

Members can wave their hands over there all they want. If that extra money has to go into that kind of situation—just halve it or cut it down in terms of some of the

Ontario Housing units, the poor people's housing—that money is also not available for purchase of manufactured goods and services, or the odd vacation or a number of other things. What does that do to the economy in terms of the gearing down we are going to see, and the increased unemployment as people can't purchase the goods or services they need.

What do we tell people in terms of safety and health in the province of Ontario? This also deals with the kind of costs we are going to have in terms of disabilities, and the kinds of expenditures that might have to be made in terms of a safe work place. We have a situation which involves the 4,000 coke oven workers across Ontario. We have established in the case of Dofasco that lung cancer is one of the legacies from working in those coke ovens.

In response to the appeal of those who worked hard to dig up the information, John Lennie and Bill West of Local 1005 as one example, they got a letter, dated April 24, 1979 from the Premier of the province—I think William Davis is the Premier of the province —which among other things, in dealing with their plea for standards to be set—standards which are already set in the United States but have been challenged for three years through the courts and upheld in terms of coke oven workers—the second last paragraph of that letter says: "I understand from Dr. Elgie that he hopes to be in a position to outline a strategy for the control of exposure to coke oven emissions before the end of the summer."

There is another letter which was sent to the Premier. I'm sure he has it; I see him in the House. It is dated October 24 and asks him what happened to this commitment to give us some standards to protect the safety and health of those workers. It asks him to see to it so that they remain capable and effective participants in the work force and maintain their earning power so they can buy some of the goods and services we want to produce, and that provide the jobs in Ontario.

In terms of expenditure, I wonder at the $1 million to $2 million we spent in the Fleck situation a little more than a year ago. I wonder at the 92 Ontario Provincial Police officers who were on the picket line two days ago in the Radio Shack strike. I wonder at the number of people we have involved and the kind of defiance, as I see it, of the Labour Relations Act in this province in a number of fights by workers in Ontario to achieve first contracts and to achieve some union security provisions so they can't be undermined, cut out and decertified a year down the road.

How do we justify management that ignores orders—25 specific charges, in the case of Radio Shack, brought before the Ontario Labour Relations Board—and seems to do it with impunity? Why do we have the disputes that are burgeoning right across the province of Ontario in the labour relations field and that have a very definite effect on the kind of attitude of the workers, their belief in the system, their belief in the fairness and justice of the law, and that certainly lead to disruptions and problems in the work place? How do we expect we're going to sell this province's ability to produce when these kinds of situations are allowed to develop and to undermine the respect for the law in Ontario?

I suspect that close to a third of the most serious labour disputes in Ontario centre on union security and first agreements, and neither of those issues are ones that are going to cost this government very much. It might cost a few additional dollars in wages to one of the managements involved, most of which would be spent by those workers; but I see no great cost in either of those to this government, and I see a solution to a heck of a lot of the labour unrest in Ontario.

Why do we allow that kind of a situation to develop and exist in Ontario? Why are we ourselves, either by our lack of very simple, decent pieces of legislation or by our refusal to enforce legislation already on the books, allowing this kind of a situation to develop?

When people come into my office and ask some of the questions I've raised here today I have a tough time, unless I'm totally partisan. While I have no hesitation about being partisan that's not the way you want to respond to somebody who has a serious personal problem they're really asking for some help with. I have to relate it back. I know what it is in my own mind: it's how I can relate it back, to the people who come and see me, to the kinds of policies and the kinds of priorities this government has. Something is sadly out of whack. I would hope we don't just blindly accept a motion to extend supply to this government again at any time in the future, and that we do raise the questions that are bothering all of us on the kinds of priorities in spending that are affecting people.

Maybe the government is right. Maybe their ideas of the priorities are correct. I don't happen to think so. I would be sadly remiss in my responsibilities if I didn't raise them; raise them as I see them, and raise

them as the people who come to see me with their problems raise them with me. I think there is going to have to be some real honest and sincere debate on where our priorities are going, and not just shouting back and forth that you're crazy or we're crazy in this deal. Something is wrong; something is hurting people in this province and we're not responding to it.

As my colleague has said, we probably will approve the money. I gather it's a formality. I still don't understand everything that goes on in this House, but I have some serious doubts about the spending policies of the government of Ontario.

Mr. J. A. Taylor: Mr. Speaker, I thought I might just as well contribute something, if that's the correct word, seeing as how a number of the other members have become so involved in this debate. I don't apologize for that. I look back a couple of hours or so and think maybe Mr. Speaker's initial judgement in regard to the parameters of this particular debate may have some relevance.

I say that in that I think it was his intention to try to curtail, or keep on track to some degree at least, of the extent and scope of this debate to extend supply until December 31. I think the Leader of the Opposition (Mr. S. Smith) was absolutely correct, however, in saying it's a matter of relevance for this assembly, that it wasn't simply a question of debating a date. It's a matter of bringing before this House the whole question of government spending so that this House at least participates in terms of whether or not supply is granted so that the government can carry on.

[5:00]

At first, I thought maybe there was some thought of creating an issue. In hearing some of the debate I thought maybe there was some preparation for an election.

Mr. Kerrio: Perish the thought.

Mr. J. A. Taylor: I personally wouldn't mind that either.

Mr. Kerrio: Does the member mean he's happy with that?

Mr. J. A. Taylor: No, I would disagree, because I frankly feel that minority government is a very bad thing. If this House was to come down, if the opposition was to bring it down and the people were to judge, then I would surmise there would be a majority on this side of the House.

Mr. Kerrio: But it would be a Liberal majority.

Mr. Mancini: We would want to know if the member is running again. Is he running again?

Mr. J. A. Taylor: What I did regret very much—

Mr. Kerrio: I think Joe Clark's got a point. I don't know whether we'd want it right now. It was a dastardly change.

Mr. Mancini: It was the Premier's fault.

Mr. J. A. Taylor: One at a time and I'll respond to the members one at a time; none of this gang warfare.

Mr. Eakins: We want to know if the member is running again. Is he running again?

Mr. J. A. Taylor: I learned something when I went to school; admit nothing, deny everything and demand the truth. That's a pretty fair principle.

Mr. T. P. Reid: The member wouldn't be any good over here because he would never get the truth.

Mr. J. A. Taylor: Over there.

Before being interrupted I was going to comment on some of the remarks from the member for Rainy River (Mr. T. P. Reid), because I was sincerely disappointed that he would attack personalities in this House. In retrospect, he probably didn't mean it.

Hon. Mr. Davis: How can the member speak so highly of him?

Mr. J. A. Taylor: He probably didn't mean to berate my seatmate here, the member for Fort William (Mr. Hennessy).

Mr. Laughren: I think he did.

Mr. J. A. Taylor: If he did I think he must have spoken before he thought—

Mr. Laughren: He thought about it.

Mr. J. A. Taylor: —because I don't think those remarks were either accurate, kind or parliamentary.

Mr. T. P. Reid: Has the member ever been in committee with the member for Fort William?

Mr. J. A. Taylor: They were certainly unnecessary. I would remind the member that his party solicited the member for Fort William to run for his party prior to the last election. The member might just reflect on that for a moment as well.

Mr. Mancini: We'd like to have this member too.

Mr. J. A. Taylor: The member's party would like to have me? It's nice to feel wanted. I don't always feel that way, but it's nice.

Mr. T. P. Reid: Has the member been knocked in the falls lately?

Mr. Deputy Speaker: Order.

Mr. J. A. Taylor: Mr. Speaker, I didn't want to extend this debate unnecessarily, but I can't fail but make some comments in regard to the concerns expressed by the members of the New Democratic Party.

Mr. Mancini: I always thought that was the minister's job.

Mr. Deputy Speaker: Order.

Mr. J. A. Taylor: I gather that Hansard is picking up all the repartee and the by-play so I'll just continue.

It's very interesting, Mr. Speaker, the solution that the New Democrats seem to have to everything is to spend more.

Mr. Laughren: It helps the economy.

Mr. Kerrio: They think what great spenders are listening.

Mr. J. A. Taylor: If there is ever an answer to any particular problem in this province or this country the answer is to increase supply, not to shrink supply.

Mr. Laughren: The member wasn't listening.

Mr. J. A. Taylor: They are not asking for accountability and credibility in government spending, they are not looking for that.

Mr. Laughren: The member wasn't listening.

Mr. J. A. Taylor: They have the estimates where they can pursue that ad infinitum, which they do without effect. What they are saying is that government should be spending more. And when we hear from the individual members of that particular party—and I know that individually they are nice guys; I love them; they are great, sincere, hard-working, even the member for Port Arthur (Mr. Foulds).

Interjections.

Mr. Deputy Speaker: Order.

Mr. J. A. Taylor: They are hardworking, sensitive people who are out there to champion the weak and the oppressed. I congratulate them for that. That's all very well, but the panacea is not to keep spending public funds.

Mr. Laughren: Why don't you listen sometimes?

Mr. J. A. Taylor: I've listened very carefully to what the member for Nickel Belt has said and I've looked at his philosophy of evolution in terms of government intrusion more and more into the marketplace and into the productive capacity of this province and this country.

Mr. Laughren: Rebuild it.

Mr. J. A. Taylor: The concept of joint venture and eventual government takeover.

Mr. Laughren: Not necessarily.

Mr. J. A. Taylor: Certainly; the continued spending of funds.

Mr. Laughren: Look what's happening now.

Mr. J. A. Taylor: "What is happening now?" the member asks. Mr. Speaker, may I just say this to you that what has been happening is that this type of philosophy has developed an escalating expectation on the part of the public to consume more and more. There's just no question about the demands that are made.

Mr. Laughren: The poor are greedy.

Mr. J. A. Taylor: I would suggest that we're just now entering the economic wringer.

Mr. Laughren: What do you mean by that?

Mr. J. A. Taylor: We've hardly started to squeeze the lemon and a lot of people are going to suffer. They can talk as they will about high interest rates, but they're going to see them higher, if anything.

Mr. Mancini: It's shameful.

Mr. J. A. Taylor: Sure it's shameful, but they're a manifestation of a sick economy. Let's put our economy in Ontario in relation to the economy of Canada and the economies of other nations.

Mr. Mancini: You don't fix the economy by squeezing working people, that's nonsense.

Mr. J. A. Taylor: We cannot insulate ourselves from international forces. We cannot keep consuming and maintain a high artificial standard of living. Look at our dollar. It has shrunk, and it keeps shrinking in real terms. We only look at it in terms of the US dollar. It's not in a very happy relationship now; and on an international scale that dollar is certainly not sanforized and it's very, very small.

We're going to have high interest rates because our dollar is depreciating. We can't keep printing more money, which has been what the federal government has been doing. It's taken a number of years to get us into this mess, but we're in it and we're going to have to go through it.

Of course that means if the dollar isn't very strong and if it's a depreciating dollar, then we're not going to get low interest

rates, no doubt about that. We're all going to have to suffer together. We cannot take one segment of society—

Mr. Laughren: Some more than others.

Mr. J. A. Taylor: Yes, some more than others. I say that in response to the member for Nickel Belt, because there are some segments of our system that are stronger than others. The working man who has the clout of a strong union with him is able to withstand some of these economic pressures longer because he can maintain his purchasing power that much longer. But the size of the economic pie is not increasing, which means that somebody else has to suffer because he is getting less for one reason or another. Right now that reason is inflation. The member's colleagues on that side then bring in a shopping list of individuals with names, addresses and complaints. I sympathize with those individual people because they don't have the clout, they don't have the bargaining power.

Mr. Laughren: They don't want your sympathy.

Mr. J. A. Taylor: I'm not giving you my sympathy, my friend, I'm giving my heartfelt sympathy to the poor individuals in this province who don't have the economic clout—

Mr. Laughren: They don't want your gratuitous sympathy.

Mr. J. A. Taylor: —who have to suffer because they're on fixed incomes and pensions. They're the people I'm interested in.

Mr. Laughren: When you were a minister you did nothing for them. What a hypocrite you are. Why don't you apologize?

Mr. J. A. Taylor: I won't keep responding to the member because he is becoming meaningless and irrelevant. When I was a minister, my friend, I was charged with the responsibility of implementing a restraint program which in my estimation should have been implemented right across this country with more consistency and more conviction.

Mr. Laughren: I need your sympathy.

Mr. J. A. Taylor: If it had maybe we wouldn't be in as difficult a position today.

Mr. Laughren: Crocodile tears.

Mr. J. A. Taylor: But the socialists over there, the revisionists, and that's what they are because I see what their end goal is, to take over the means of production. I see some of that in their party. They laugh, but they know what I mean because they have others and they have division in their ranks. I can see what they are aiming for, but what they are going to do is tear this country apart with their contradictions.

Mr. Laughren: I represent the strengthened centre.

Mr. J. A. Taylor: I don't know what strength the member might have.

I didn't hear the entire phrase, Mr. Speaker. I am glad you now grace that chair. I am sure you will ensure there is order and fewer interjections.

Mr. Laughren: You wouldn't be happy if there weren't any interjections.

Mr. J. A. Taylor: I say that with tongue in cheek, because I am not particularly concerned about the repartee from that side of the House, but I am concerned, Mr. Speaker, in addressing you, and I do that.

Mr. Mancini: Where's your plaid jacket?

Mr. J. A. Taylor: What we have today in the guise of a resolution to extend interim supply is an opportunity to open a very wide-ranging debate which really is not making any contribution to the substance of the motion.

Mr. Laughren: That's because your mind is closed.

Mr. J. A. Taylor: I started off on that theme when you were not occupying the chair, Mr. Speaker, I propose now to close on that theme. I felt you had a feeling that unless you kept this debate within fairly defined parameters it would go astray.

Mr. Laughren: You are contributing to it.

Mr. J. A. Taylor: It would become another debate on the speech from the throne or on the budget without too much relevance, especially when the leader of the Liberal Party was interested in demonstrating the relevance of this chamber.

Mr. Laughren: Norm Sterling for minister without portfolio.

Mr. J. A. Taylor: I thought he would be really contradicting himself, and we would be contributing to that contradition if we didn't try to keep the debate within some reasonable parameter.

Therefore I didn't want to unnecessarily extend the debate. I rose mainly to see if, with some pleading, I could entice some of the members of the opposition not to parade all of their forces, one by one, so as to unnecessarily extend the debate.

I couldn't fail to point out to the members of the New Democratic Party that it wasn't a time to parade before this particular chamber the individual plights of constituents, no matter how important they may be. I certainly don't underestimate the importance

of those individual problems, but I didn't think this House was going to contribute to their resolution.

Mr. Kerrio: Jim, I am going to move another amendment.

Mr. J. A. Taylor: Mr. Speaker, I also fail to see how a debate on high interest rates is going to make any relevant contribution to this particular motion.

[5:15]

Mr. Laughren: What is your view of the political process? This is a legitimate forum here.

Mr. J. A. Taylor: I did initially demonstrate, Mr. Speaker, in response to the interjection, that this forum is a legitimate forum. Of course it is a legitimate forum and it is a relevant forum, and the Leader of the Oppostion was technically correct in terms of saying here the substance of the motion is one of voting interim supply, and therefore the subject matter certainly could mandate a discussion of the spending of this government. That is not irrelevant.

Mr. Laughren: So what is your point?

Mr. J. A. Taylor: My point simply is that to engage in a wide-ranging debate about everything contributes nothing.

Mr. Laughren: Now you are depicting yourself.

Mr. Bradley: Here is my favourite Tory.

Mr. J. A. Taylor: It was merely a demonstration of some electioneering, some derision from the benches opposite.

Mr. Mancini: And deservedly so.

Mr. J. A. Taylor: I thought it was not making any particular contribution to this debate.

Mr. Laughren: Oh that hurts, that hurts.

Mr. J. A. Taylor: That should hurt, because a man in the honourable member's position and a man with his background and education should know better, so it should hurt him. He should feel smaller than he actually is.

Mr. Mancini: That's pretty small.

Mr. J. A. Taylor: Mr. Speaker, I'm not trying to inject contention. I am simply saying it is a quarter past five—

Mr. Laughren: You're invited to join the Toronto police force, time to vote.

Mr. J. A. Taylor: —I would ask the members of this chamber to get as quickly as possible to the vote so that we can either pass the motion or otherwise, and I surmise from what has been said that everyone is in agreement with the motion, so we can get on to the legitimate business of the Legislature.

Mr. Mancini: Mr. Speaker, I would like to reply to the government motion by the Treasurer (Mr. F. S. Miller) concerning voting extension of supply until December 31.

I listened very carefully to the member for Prince Edward-Lennox (Mr. J. A. Taylor), as I always do, because I know he is one of the members on that side of the House who will more often than not speak freely and without any worry as to what type of reprimand he may receive from the party hierarchy.

Mr. J. Johnson: That's more than you can say.

Mr. Mancini: He usually speaks very freely and expresses his true concern. But I cannot understand why today, when we are voting for the extension of supply, he would want to curtail arguments which members felt it would be necessary to bring before the House.

Mr. Bradley: Bud Gregory's cracking the whip.

Mr. Mancini: There are many things members can speak about. There are many things under the issue of supply. This deals with the whole monetary policy of that government that has been there for 37 long years.

Mr. Eaton: It will be here a lot longer too.

Mr. Laughren: Too many.

Mr. Mancini: So if we have problems in the Ontario economy, the problem lies there with the government that has been in control of the purse strings.

Hon. Miss Stephenson: Oh stand up, Remo. Get up off your knees.

Mr. Kerrio: Tory times are tough times.

Mr. Mancini: In the past they have been able very craftily to confuse the people of Ontario by shifting some of the blame to a government in Ottawa which was not of their political party. We have seen, since the last election, how really inept this government is. They can't shift the blame, because their friends up there won't allow them to and they are unable to, because when they look bad, this government looks bad.

We have a Treasurer today who won't even receive payments from the federal government that we are entitled to. He told the Legislature today that we are entitled to some $400 million. He won't even receive those payments that Ontario tax-paying citizens have paid through their own hard work and efforts. At least when Darcy McKeough was here, whether we agreed with his policy or not, we got a picture of his economic philosophy. But this Treasurer

has no picture of any type of economic philosophy at all. He's like a rowboat in the ocean.

Mr. Bradley: Where's Darcy McKeough when we need him?

An hon. member: His pictures are the abstract.

Mr. Mancini: Let's talk about supply. Let's talk about their handling of the government economy. Ever since the member for Brampton (Mr. Davis) became the Premier in 1971, we have had nothing but large deficit piled on top of large deficit, billion-dollar deficit upon billion-dollar deficit. I know the member for Prince Edward-Lennox has to cringe in his seat when he sees the reports of the Treasurer which reveal billion-dollar deficit upon billion-dollar deficit. There was no economic control there in the past few years and there's very little now.

We have heard all kinds of statements from this government. Every year they upset the province's civil servants by saying they are going to cut back on the civil service. Every civil servant in the province gets nervous. Then at the end of the year when we look at the actual amount of civil servants in Ontario's employment, it's the same or greater. Why do they bother getting all the civil servants upset if they do not mean to take any action? If they don't really mean to do anything, why disrupt the work of the civil servants?

Mr. Eaton: Get your facts straight.

Mr. Mancini: It's a charade; that's what it is. It's a charade because they have the province's economy upside down and they want somehow to deceive the people of Ontario. They want them to think they are taking some type of corrective action. They are taking no corrective action at all. Their priorities are confused.

Mr. Warner: They're doing absolutely nothing.

Mr. Bradley: They're just coasting along over there.

Mr. Kerrio: Can't you feel the water up around your ankles?

Mr. Mancini: After 37 years, the government is just hobbling along from one question period to another.

Mr. Bradley: You have reached the pinnacle of arrogance over there.

Mr. Eaton: We're still leaving you behind.

Mr. Mancini: This government has never been concerned with supply. It has never been concerned with money. I remember the 1975 election, when they unashamedly spent $1 billion to get re-elected with a minority government. They were offering all kinds of programs—a $1,500-home ownership grant, a sales tax reduction, money to people who bought new cars and other programs. They unashamedly wasted $1 billion. Today, with interest rates on mortgages approaching 15 per cent and the average working man not being able to afford to have this type of mortgage at that kind of rate, when I asked the Premier of this province if he was prepared to assist a person who wanted to buy and own a home—he rose, buttoned his jacket, clasped his hands and said the federal government is taking care of this problem. This government helped elect a bunch of loan sharks in Ottawa. That's what it has done.

It is very evident to anyone who watches the proceedings of the House on a daily basis, or to anyone who would take time to read Hansard on a daily basis, that this government is not concerned with supply. They have no idea where the Ontario economy is going. They either don't have competent economists or don't know how to hire competent economists. They are struggling from one question period to another. They ought to be ashamed at the way they have allowed royal commissions to spend millions of dollars. They have got their priorities upside down.

Mr. Bradley: Remember Judy LaMarsh.

Mr. Mancini: They say there is no money to assist people to obtain mortgages when the mortgage rate is at 15 cent; yet there is all kinds of money to pay royal commissions millions of dollars. We read the reports of the provincial auditor. We know exactly what he said. And we have a Chairman of Management Board of Cabinet (Mr. McCague) whose profile is so low one doesn't even know if he is in the House or not.

Mr. Warner: Who is he, anyway?

Mr. Mancini: Yes. Who is the chairman of the management board?

Interjections.

Mr. Mancini: What type of control does he exercise over the provincial economy?

Interjections.

Mr. Speaker: Order. Let's have some order.

Mr. Kerrio: Darcy knew what was happening.

Mr. Speaker: Order.

Mr. Mancini: The government has probably already spent the money it is asking us to allow it to spend; so we are really

going through some motions here this afternoon. But we just wanted to take this time out to let the government know—

Hon. Mr. Gregory: Did you forget what you were going to say?

Mr. Mancini: No, no. I didn't forget. I just wanted your attention. I wanted the attention of the member for Mississauga East, the Minister without Portfolio, who is getting extra money, paid for by the taxpayers of Ontario.

Interjections.

Mr. Mancini: He doesn't even know what his job is. He is probably going to get some special job every now and then from the Premier. He probably gets driven around in a nice blue Chrysler, with a chauffeur with a nice round hat, who says, "Where would you like to go now, Mr. Minister?"

Hon. Miss Stephenson: Envy will get you nowhere.

Mr. Mancini: And he says, "Let's go to Winston's. I have some people waiting there. We will discuss the problems of the economy of this province." I am sure he could well understand the problems of the ordinary working man at Winston's.

We just want to bring to the attention of the Minister without Portfolio, whatever his job is, that the hard-working people of Ontario now realize that, after 37 uninterrupted years of rule, the government has been able for some time to deflect and hide many of its economic mistakes. But those days are gone. The government in Ottawa has changed. The provincial government has its Tory friends there now. They are not going to accept responsibility for the Treasurer's blunders. If we have $400 million coming, I suggest we accept it.

I think I have got on the record pretty well everything I wanted to say in this debate. I think I am pretty well satisfied. Thank you.

Mr. Philip: Mr. Speaker, it is a pleasure to participate in this well-thought-out, reasonable debate; I am sure the Treasurer (Mr. F. S. Miller) has, as he said, learned greatly from the wisdom of the members on this side of the House. Perhaps I may add a little to that.

It is ironic this debate should be taking place on the day the Ministry of Transportation and Communications and the Ministry of Energy are finally getting together behind closed doors to look at the link between transportation and energy.

Mr. Bradley: More secrecy.

Mr. Philip: One would have thought if the Ministry of Transportation and Communications and the Ministry of Energy had not discovered this link, the Treasurer would have pointed it out to them.

The very fact that a member of the press was turned away today from this seminar of public employees—turned away with the words, "We also refused the attendance of the NDP transportation critic"—is merely one more indication that this government is paranoid about its activities in the field of energy. It is paranoid about sharing information with members of the opposition.

Mr. Warner: It should be.

[5:30]

Mr. Philip: I was somewhat amused that the Conservative member for York West (Mr. Leluk) felt he or his ghost writer, whichever the case may be, had to write to the Etobicoke newspaper to assure the readers that this government had an energy policy and that the energy policy was no secret. Later in the letter he rationalizes the lack of policy by stating that "in the final analysis the people who have the final word is the federal government." So we change federal governments but still the members on that side of the House, the government, blame Ottawa for the catastrophe that they've created in energy.

Mr. Speaker, I point out to the Treasurer that the report of the Deputy Premier of Ontario and Minister of Energy (Mr. Welch) states: "Today Canada imports close to 20 per cent of its crude oil supplies. By 1990, unless vigorous steps are taken, it is projected that Canada will need to import about 40 per cent of these requirements."

It goes on to state, under the title of Framework for Crude Oil Self-Sufficiency by 1995: "There are three ways to achieve self-sufficiency in crude oil. These are: to increase supply mainly through oil sands and heavy oil production, and enhanced recovery of frontier and off-shore resources; to reduce oil requirements by substitution of other fuels, for example, natural gas, electricity, coal, energy from waste materials renewables"; and lastly, "to reduce crude oil consumption through conservation."

Two out of three of these objectives are clearly within provincial jurisdiction; yet where has this government shown any leadership to date in this regard?

Mr. Bradley: No place.

Mr. Philip: Transportation is a major user of energy; yet when one reads the transportation journals, one reads that very little—in fact, nothing—is being done in transportation energy research as a result of the Ministry of

Transportation and Communications of this province.

Perhaps this is why the London Free Press reporter was denied entry to today's seminar at the Valhalla Inn. The minister realized how little has been done and how apparent that would be to the press as well as to the opposition.

Indeed, if one looks at the agenda for the seminar today, one sees that it's a very reactive agenda rather than an active agenda. I look down at some of the notes I received from the reporter who was able to get hold of an agenda before he was forced to leave, and I see that it deals with the Ministry of Transportation and Communications seminar at the Valhalla Inn, joint meeting on energy. It goes on to say: "Municipal Energy Management, Conservation in Passenger Transportation Sector, US Conservation, The City of Washington Contingency Plan, Bill C-42" and so on.

What we have here is a reactive kind of situation. The government has not acted and therefore it must now meet a crisis. Indeed, to make matters worse, the next secret seminar will deal with van pooling.

Our public servants, for whom we are voting public funds today, will be spending their time dealing with ideas that Doug Moffatt and I shared with the minister in 1975 when he and I were both first elected to the House. It has taken four years for the Minister of Transportation and Communications to finally learn that he should hold a seminar on some of the things we were pointing out to him at that time. Little wonder he's so insecure that he has to hold it behind closed doors.

Bus and Truck Transport magazine has documented how the government uses tax dollars on pie-in-the-sky research with the Urban Transportation Development Corporation. Likewise, the Liberal transportation critic and myself have documented this over and over again.

We can contrast that with the federal republic of Germany, which is spending $50 million per year on hydrogen research and transportation. This government is not alone in this. While certain progressive cities in the United States are moving in the drection of hydrogen experimentation, the US federal government is doing virtually nothing. A mere $250,000 is being spent by the US federal government as compared to $50 million per year by a progressive government in Germany, a government that is so progressive that it is not controlled or influenced by the oil lobby as in Washington.

This government seems to be more comfortable with the US position. This is understandable when we remember the position of this government during the Isbister commission hearings and when we remember we could not expect anything different.

Fort Collins, a city of 70,000 in Colorado, has been working with the Daimler-Benz corporation in Germany on a hydrogen-powered bus. Daimler-Benz corporation in Stuttgart, Germany, has already developed a hydrogen bus and is so far along as to have entered into contracts with the city of Berlin for delivery in 1981. The federal republic of Germany, in spending $50 million a year on hydrogen research, realizes what the projections are in terms of technology in the future. This government prefers to react rather than to act.

Likewise, American cities are at least trying this technology, even though their federal government may be doing very little about it. We in this province, seem to be keeping our heads in the sand as the Premier shadowboxes with the Premier of Alberta.

John Arnold, city manager of Fort Collins, has pointed out in an article in Urban Transit Abroad, published by the Council for International Urban Liaison in Washington, that one of the sidelines developed by Daimler-Benz may well become the most important end product of their hydrogen research. They are working on a totally integrated home and car system that allows refuelling of a hydrogen-powered car by using the heat generated in the home. No fossil fuels are involved, and the cars, in effect, are fuelled by electricity.

In contrast to this, we only need to look at page 13 of the government's publication, Energy Security for the '80s. There we notice the projection for use of energy from hydrogen by 1995 is absolutely zero. The Canadian transportation journals recognize the value of hydrogen technology. I won't quote to the Treasurer or to the Minister of Transportation and Communications (Mr. Snow) from Bus and Truck Transport, because the latter minister is always upset when I do so. He realizes what a straightforward journal this is and what a fantastic job it has done in showing the incompetence of his ministry in transportation research.

Instead, I would rather deal with another journal, one with which I am sure the Minister of Transportation and Communications, the Minister of Energy and the Treasurer will be familiar. I am talking about the journal Canadian Automotive Trade. Canadian Automotive Trade deals with a few questions and answers on the Roger Billings research project

in Provo, Utah. I am sure these ministers—even the Treasurer—may have read some of the excellent articles in the various trade and scientific journals about the work of Billings in the United States.

This article deals with some of the basic questions the average layman has about hydrogen. I will deal with only a couple of these; I think they are worth reading into the record.

First of all, "What is necessary to modify an ordinary car engine to run on hydrogen?" Billings claims it is necessary simply to add a gaseous carburetor.

Further down, after a series of questions "Since water is the principal byproduct when hydrogen is burned," the journal asks, "Is there any problem with corrosion within the engine and exhaust system?" Billings claims his research shows there is no corrosion problem within the engine and exhaust system when hydrogen is burned, and water is a major product of combustion when gasoline is burned; therefore, hydrogen should not have any significant difference.

Another question put by the Canadian Automotive Trade is: "Would there be any problem in the valves and valve seats?" Billings assures them his research has indicated there would be none.

"How much would a hydride tank cost?" The fact is, a hydride tank costs approximately five cents a pound, according to Billings's research.

I could go on and on about the research on the Billings project. I'm sure the minister can find other journals. A number of them have dealt with it. It's well worth the time of the Minister of Transportation and Communications to consult some of those and arrange an on-site visit to the Billings project.

When one speaks of hydrogen, one always has to overcome certain prejudices that exist in the public mind. The Hindenburg disaster has injected into the public psyche a fear of hydrogen as a fuel. The fact about the Hindenburg is that the occupants of it were burned to death not because of hydrogen but rather as a result of the diesel fuel that spilled on to the ground and caught fire on the ground.

Scientists tell us that hydrogen is at least as safe as products such as jet fuel and certainly safer than liquified natural gas. As for pollution, when we burn hydrogen, the exhaust is water vapour. The cost to society as a result of gasoline burning is astronomic. One needs only to take a simple example by looking at the fabrics industry and the amount of cleaning and so forth that must go on as a result of the exhaust.

Hydrogen burns more smoothly than conventional transportation fuels, and thus there will be a noise payoff. For those of us who live under the flight paths at Malton, there's a considerable advantage to this in the aviation field of transportation.

Hon. F. S. Miller: On a point of order, Mr. Speaker: When I said early in the evening I was anxious to have a wide-ranging debate, I assumed it would be on topics that were budgetary. I really believe the member is talking about the Ministry of Transportation and Communications.

I would only suggest to the honourable member that he go back to a speech I gave in 1972 on hydrogen and its generation for electricity. He will find I gave a very learned debate at that time. I really think he's out of order.

Mr. Kerrio: That will teach you.

Mr. Philip: I think the Treasurer will remember I started off my remarks by pointing out that a number of staff people were involved in an energy seminar today. Private as that might be, I believe they were being paid from Treasury funds, though I may be mistaken. I've been dealing with the way in which this ministry has been wasting money on research as well as on the way in which the staff has been utilized. I'm pleased the minister made a cogent speech on hydrogen.

Mr. Foulds: I was here for that speech, and it wasn't so cogent.

Mr. Philip: If that is the case, one can only wonder what his timetable was for implementing it, because we certainly haven't seen any of it to date.

Professor David Scott of the department of mechanical engineering at the University of Toronto says hydrogen has the greatest potential as a fuel that he has seen. The Treasurer no doubt will know, as a result of his research for the speech he alluded to earlier, that Professor Scott has been specializing in gas fuel most of his career. He states the world will be into a hydrogen economy by the turn of the century.

Where is Ontario in all of this? The Treasurer gave a speech some years ago, none of which has been implemented. When I had my assistant call the Ministry of Transportation and Communications, obviously the ministry didn't know of the Treasurer's speech, because the ministry said the only thing they know they were doing in hydrogen transportation research was

pulling a few things together on it. I hope the Treasurer tells the Ministry of Transportation and Communications about his speech of several years ago so that when they pull together all the data, they'll include his speech in the data they're collecting.

By the same token, the ministry officials had no idea what UTDC might be doing in terms of energy transportation research. Just as the Ministry of Transportation and Communications has shown no leadership in transportation energy research, it has shown absolutely no leadership in transportation conservation. I will not at this time recycle the presentation the leader of the NDP, several other colleagues and I made before the Toronto Transit Commission, but we remember the stand this government took when it came to trying to encourage people to use public transportation at that time.

[5:45]

In the movement of goods by highway, the use of certain devices such as air deflectors on truck cars, radial tires, special wheel discs and smooth-skin trailers have all been tested and proven to be of assistance in fuel economy. Driver training courses have also proven to be a most efficient way of reducing transportation fuel costs.

We are talking about fuel savings of as much as 25 per cent in the transportation industry, according to a survey done by the Private Motor Truck Council of Canada. Some of the larger, more sophisticated companies, such as United Parcel Service, are aware of this; they've done their own research. I would point out to the minister and to the Treasurer that the document done by United Parcel Service on economy in the transportation industry might be worth their reading.

How about the smaller, less sophisticated companies? How aware are they of this? I've never once heard the Minister of Transportation and Communications deal with this topic. Is it not possible to show some leadership in education throughout the transportation industry? Is it not possible, together with his federal counterpart, to look at regulations which, over a period of years, would equip the transport industry with those kind of fuel-saving devices that are so necessary for conservation?

I was shocked to see a recent story in the newspaper about the Minister of Energy. When questioned about where research should be done in terms of alternative forms of energy, he said he did not rule out the possibility of subsidizing the oil companies to do this.

When I was first elected to this House, the issue I first dealt with, and one the then leader of the New Democratic Party dealt with at great length, was the vertical integration of the oil companies. We showed the then Minister of Energy, the same minister who is now dismantling our health-care system in Ontario, that it was in the interests of the consumer to move against the vertical integration of the oil companies. Instead, he chose to side against small business, against free enterprise, and to push for the side of the multinational oil companies who were vertically integrating.

These small service station operators are still being pushed out. In the last two or three days in the newspapers, Mr. Sandford, the president of the Ontario Retail Gasoline and Automotive Service Association, was saying it was still a problem. Yet at that time the then Minister of Energy gave the same kind of answers he gives now as Minister of Health, that there is no problem and somehow everything will be solved. Of course, it hasn't been solved. Then later the Premier took a hands-off attitude when it came to windfall profits of the oil companies. They were items that were clearly within his jurisdiction.

The experience of the whitewash of the Isbister commission repeats itself over and over again in this government.

John Bulloch, the president of the federation of independent businessmen, pointed out at a meeting I attended that one of the most difficult matters in dealing with the multinational oil industry was finding out the facts. The public is being kept in the dark about oil supplies and inventories. As a result, little effective planning on energy can take place at either the federal or provincial level.

The member for Carleton East (Ms. Gigantes) has been trying over and over again to get certain facts about this. She's been trying for months to obtain the NEB figures on oil supply and inventory in Canada. She has been repeatedly refused access to this information by both federal and provincial public employees acting, we can only assume, on the directions of their political superiors.

I haven't heard the Minister of Energy or the Treasurer voice any objections to this. It's fairly clear this government has not taken action against the oil companies within those areas where they clearly have provincial jurisdiction.

There are no less than 10 perfectly viable alternatives to gasoline that we know of. For

the most part, I have dealt only with one of these. It's fairly clear that this government is the party of monopoly, the party of the oil companies, the anti-free-enterprise party, if you like. The Premier goes through this silly charade, this silly shadow-boxing with the Premier of Alberta. Where is the policy? If transportation and energy policies cannot be spelled out, it's little wonder they cannot be integrated by this government.

It's little wonder, in fact, that one Etobicoke paper said that this government has no energy policy. The Premier provides great theatre, but his policies, if you look at them, provide little substance.

Mr. Deputy Speaker: Is there any other member wishing to participate in the debate?

Mr. Kerrio: Let's wind up.

Hon. F. S. Miller: Regardless of other speakers, I'm speaking now.

Mr. Renwick: On a point of order, Mr. Speaker: I don't want to interrupt the minister; I just want to understand what he is saying. Is he attempting to close the debate? I suppose is the question I want to ask.

Hon. F. S. Miller: No way. I just want to give my comments, because it's my understanding I do not have to be present during the entire debate. I have the flu and I'd be very glad to be absent for part of it.

Mr. J. A. Taylor: Give it to 'em, Frankie.

Mr. Renwick: If I may address myself to that matter, the purpose of the debate is to debate with the Treasurer. We would certainly be agreeable to adjourning the debate until a time convenient to the Treasurer so that he could be here.

Hon. F. S. Miller: In the beginning, I agreed with the members opposite that the debate shouldn't be restricted in so far as the terms that the Speaker interpreted. I have to say, from my own personal point of view, I think some of the subject matter has strayed a little further than a normal review of the matters before us. In no way do I want to restrict the amount of time that members speak. I was told by the government House leader and others that, unlike my estimates debate, I would be speaking once and it was not necessarily required of me to sit through the entire issue.

Of course, if members take that attitude, I will sit here all night quite happily rather than have the debate adjourned. My own personal inconvenience isn't worth having it put to another day.

Mr. Renwick: Mr. Speaker, unless our whip wishes to speak to that matter, I might say it is our intention that the matter be concluded this evening. It is not our intention to debate matters on which it is not important for the Treasurer to be present. It would be important for the members of our caucus, speaking on this particular debate, to see the matter concluded tonight and to have the benefit of the Treasurer's views on such matters as are raised in the debate on which he sees fit to comment when it is concluded, in accordance with the customary rules of the House.

Hon. F. S. Miller: In that case I will come back tonight and sit through the debate. I would only ask and hope that a matter such as the one which was just discussed, which was very interesting to me—I happen to be very interested in energy—would not be the type of thing we'd argue after supper. I would rather we argued the kinds of things as discussed by the member for Nickel Belt (Mr. Laughren), which I feel were quite appropriate within the terms of reference.

Mr. Deputy Speaker: I would just like to draw to the members' attention standing order 62: "When a debate arises on any government substantive motion, the minister or parliamentary assistant who moved it has a right of reply and the Speaker shall inform the House that such reply closes the debate."

Mr. Renwick: I believe the comments of the Treasurer resolve our problem. If it is convenient at this time to be six o'clock, perhaps we could resume at eight o'clock.

Some hon. members: No.

Mr. McGuigan: Mr. Speaker, I would like the attention of the Treasurer to give him, from a back-bench farmer, a little bit of economic theory and history from this side of the House. I am sure he is well aware that interest rates over the millennia since civilization began have historically been about three per cent. That is based largely on the growth in population and growth in the economy, which will stand an interest rate of about three per cent.

When we look at the present situation in Canada versus the United States, we find in Canada our effective interest rate today is approaching about eight per cent, a rather unconscionable and non-historical rate. It is bludgeoning the people of this province.

I would point out to the Treasurer that demand notes held by banks, especially to small businessmen and to farmers, are today at about 16 per cent interest rate, whereas the rate of inflation is running somewhere in the neighbourhood of eight to nine per cent. So we come up with interest rates between seven and eight per cent in Canada. In the United States, from which we are

taking our cue on this matter, inflation is approaching 14 per cent. Their interest rates are about 16 per cent. So there is an effective interest rate in that country of about two per cent. Perhaps if one wanted to be generous, it's three per cent.

I am sure the Treasurer has had those lessons in economics and he agrees with it. I just wonder how he can explain his party's support and his federal party's support in this move towards a lock-step advance in interest rates with the United States.

This government historically has approached the farming problem in a particular way. I would go back to the 1969 report, The Challenge of Abundance, a study of agriculture in this province. One of the results of that was a public policy to reduce the number of farmers. The conclusion was drawn that there are too many people in agriculture and not enough money to go around. So the government will adopt policies that will reduce the number of farmers, and that has come about. Since 1969, the numbers have gone down by at least 30 per cent. I would think the real effective number today, that is, the people who produce most of the food, probably has gone down to 50 per cent.

Concomitant with that, of course, these farmers have larger operations and they have mechanized. They have gone to buying the products of our factories. And so we have the problem today that many of these farmers are financing that equipment with loans that are costing them 16 per cent today.

When we heard today in the House from the Minister of Industry and Tourism (Mr. Grossman) that the answer to the farmers' problem in this event was to skip interest payments, I just found that to be a great insult to the farmers and the small businessmen of Ontario, that they should be put in a position where they have to skip an interest payment, based on an unsupportable interest rate, in the light of traditional economic theory.

I can tell you, Mr. Speaker, that the farmers and the small businessmen of Ontario do not accept the answer that they should skip an interest payment. If there is one group of people in Ontario who are really serious and really concerned about meeting their payments, it is the farmers of this province.

I can tell the minister how they will go about meeting that problem. They won't do it by missing payments. They will do it by working longer hours.

Mr. Deputy Speaker: If the honourable member has further comments, probably we could continue after the supper hour.

Mr. McGuigan: I'd be glad to, Mr. Speaker.

On motion by Mr. McGuigan, the debate was adjourned.

The House recessed at 6 p.m.

CONTENTS

Tuesday, October 30, 1979

Teacher-board negotiations, statement by Miss Stephenson 3963

Gas and oil prices, questions of Mr. Davis: Mr. S. Smith, Mr. Cassidy, Mr. Renwick 3964

Review of Bill 100, questions of Miss Stephenson: Mr. S. Smith, Mr. Foulds, Mr. Sweeney 3967

OHIP fee schedule, questions of Mr. Davis: Mr. Cassidy 3967

Gas and oil supplies, questions of Mr. Welch: Mr. Cassidy, Mr. J. Reed, Mr. Philip 3968

Equalization payments, questions of Mr. F. S. Miller: Mr. Peterson 3969

Employment of women, questions of Mr. Davis: Mr. Mackenzie 3971

Interest rates, questions of Mr. Grossman: Mr. Riddell 3971

Complaints against police, questions of Mr. McMurtry: Mr. Lupusella 3972

Mortgage tax credit, questions of Mr. Davis: Mr. Mancini 3973

Algoma University, questions of Miss Stephenson: Mr. Cooke 3973

Teacher-board negotiations, questions of Miss Stephenson: Mr. Van Horne 3974

Roy Wood, questions of Mr. McMurtry: Mr. Warner 3975

Physician immigration, question of Mr. Davis: Mr. McKessock 3975

Notice of dissatisfaction with answer to oral question 3975

Speaker's comment re Hansard 3975

Regional Municipality of Peel Amendment Act, Mr. Wells, first reading 3975

Notices of dissatisfaction with answers to oral questions 3976

Extension of interim supply, Mr. F. S. Miller 3976

Recess 4005

SPEAKERS IN THIS ISSUE

Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)
Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Bradley, J. (St. Catharines L)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Cooke, D. (Windsor-Riverside NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Eakins, J. (Victoria-Haliburton L)
Eaton, R. G. (Middlesex PC)
Edighoffer, H.; Deputy Speaker (Perth L)
Foulds, J. F. (Port Arthur NDP)
Gigantes, E. (Carleton East NDP)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Hennessy, M. (Fort William PC)
Hodgson, W. (York North PC)
Johnson, J. (Wellington-Dufferin-Peel PC)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Lupusella, A. (Dovercourt NDP)
MacDonald, D. C. (York South NDP)
Mackenzie, R. (Hamilton East NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
McKessock, R. (Grey L)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Newman, W. (Durham-York PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
O'Neil, H. (Quinte L)
Peterson, D. (London Centre L)
Philip, E. (Etobicoke NDP)
Pope, Hon. A.; Minister without Portfolio (Cochrane South PC)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Swart, M. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Taylor, J. A. (Prince Edward-Lennox PC)
Van Horne, R. (London North L)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)

Ontario

No. 96

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, October 30, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

TUESDAY, OCTOBER 30, 1979

The House resumed at 8 p.m.

EXTENSION OF INTERIM SUPPLY

Resumption of the adjourned debate on resolution 8, that the authority of the Treasurer of Ontario granted on March 29, 1979, to pay the salaries of the civil servants and other necessary payments pending the voting of supply for the period commecing April 1, 1979, be extended to March 31, 1980, such payments to be charged to the proper appropriation following the voting of supply.

Mr. Deputy Speaker: I recognize the member for Kent-Elgin.

Mr. McGuigan: Thank you, Mr. Speaker. I was all prepared to compliment and thank the Treasurer (Mr. F. S. Miller) for coming this evening under the circumstances of a bad bout of the flu, which I think every member can appreciate; no doubt he will be here in a minute or two, so I think those remarks are in order.

I would like to continue the debate on the motion of supply, where I left off by expressing my opposition to the high interest rates which appear to be supported by this government and by their friends in Ottawa, the Tory government of Canada. I just want to point out that Canada does not have the problems that the Americans are facing with their inflation rate. We don't have the consequences of the guns-and-butter policy for which they are today belatedly reaping the results—the Vietnam war, as well as all their global commitments, which they conducted without having made any adjustment in their economy; they followed a gun-and-butter program.

We don't import 50 to 55 per cent of our oil from offshore countries as does the United States. We do import about 30 per cent of our oil but we have a great many resources here; far more, relatively speaking than do the Americans because ours have not been developed as much as theirs, therefore, those resources attract capital to our country.

I would once more suggest that the remedies they have taken are not appropriate for Canada.

Mr. Nixon: Too bad the Treasurer missed it.

Mr. Kerrio: Start all over again.

Mr. McGuigan: I am glad to see the Treasurer come in. My colleagues have asked me to start all over again, but because of the minister's concern with his health, as he shared with us earlier tonight, I will thank him for having come in. As I know every member can appreciate, when he is not feeling well is perhaps not the greatest time to debate, especially a subject like our economy; but if we are really concerned about the economy and making corrections in that economy, then it seems to me that in Canada the more appropriate route is to do selective things rather than have the across-the-board bludgeoning of the economy that is being put on us.

If the government is concerned about people borrowing money to use that money to speculate in the stock markets or commodity markets, it can affect that situation by changing the margin rates. If it is concerned about consumer credit, it can affect that by regulating the down payment and the terms of payment, the length of payment. There are selective measures that are open to the government.

I think probably its real concern about raising interest rates is to prevent the fall of the dollar. I don't think it is going to fall as much as the government would have us believe, but if the dollar did fall a point or two, it would certainly dramatize the position that this government's overspending of the last 10 or 12 years has put the country in. A lower dollar would really provide problems for the government. Instead of shouldering that responsibility it is pushing that problem off on to the small businessman, the farmer and the consumer.

I would like to speak a word or two on behalf of farmers and small businessmen from the great riding of Kent-Elgin, who predominate the economy and I speak not only on their behalf but on behalf of all small businessmen, farmers and consumers in Ontario.

One of the answers that has come from the government's side of the House is that if we have problems with the 16 per cent interest rate we should go to our friendly banker and tell him, or I guess beg him would be a more appropriate word, to forget

about a payment for a period of time. We call that bankruptcy in the farm community. When a farmer can't pay his bills or he can't meet his loan he considers himself bankrupt. That is an untenable position. It is an insult to every farmer and every small businessman in this province.

I will tell you what they will do about that, Mr. Speaker. The farmer will seek an off-farm job. He is going to hang on to the farm family and the farm life as much as he can. He is going to seek an off-farm job. He will send his wife out to work, if she isn't already out working, to help make the payments. He will put pressure on the children in the family to help more with farm chores.

In the private entrepreneurial farm family we are not held by hours of work. We don't have minimum hours of work for the farm family itself and we don't have minimum wages. The cost of that will be borne by the farm family itself, and it is a self-destructive cost. It is one that the farmers have not earned, because if any group of people in this province has carried the ball for the last number of years, has increased its productivity in each and every year and has produced cheap food to cushion the economy of this country, it is the farm community and those small businesses that support it.

I tell you with all the sincerity that I can, Mr. Speaker, the answer this government gives is not an acceptable answer to that farm community and small business community, and the government does itself a great disservice even to suggest that is an answer. I would think that if the government doesn't have a better answer than that none at all would be more appropriate.

In summary, I just suggest that the measures that have been adopted here in Ontario and in Canada are not appropriate to our economic conditions and the measures that are offered to farmers and small businessmen are really insulting.

Mr. Renwick: Mr. Speaker, on October 23 the Treasurer responded to some questions put to him by the leader of this party with respect to the profits of the oil companies doing business in Canada. The Treasurer made a comment and I want to use that for the purpose of developing the theme that I will make to the Treasurer in the course of this short time in the debate.

The Treasurer responded, "I don't think I have to." That's not relevant. "First, Ontario has very few oil-producing companies within it. If one looks at the structure through the favourable corporate tax structure of Alberta, we've lost them all. They are all domiciled there."

My concern, Mr. Speaker, is not to attack the oil companies at this particular point in time, although they may very well deserve it and in the minds of a lot of people they do deserve it.

Mr. Kerrio: Take a run at them; Petrocan will protect them.

Mr. Renwick: My purpose, also, is not to urge on the Treasurer anything which is beyond his power to accomplish; I want to deal with it in what to me are fundamental terms, and I think terms which will relate to what the Treasurer has been saying in a number of speeches and in this House.

What we are talking about is the division of revenue. How are the revenues of the various provinces of Canada and the federal government to be allocated? That's the fundamental question.

It happens at the present time that one of the major funnels—or pipelines, if it's more appropriate—through which revenues pass to various governments is through the oil companies. I am not interested and I want to repeat I am not interested, in engaging the Treasurer in discussion about whether profits are good or bad or whether it's a good word or bad word. That's not the point I want to make; or say that what he is engaged in and the Premier is engaged in is trying to alter the way in which the revenues of government are distributed across the country in the light of the changing situation brought about by the increased price of crude oil.

Also, Mr. Speaker, I am not interested in anything called the niceties or sophistications of constitutional law at all. The only point I am interested in, in a constitutional way, is what to me are the constitutional facts of life.

One of the constitutional facts of life under our form of federalism is that the allocation of the financial resources of the governments is a matter, and has always been a matter, of negotiation; and it finally has to be settled by way of negotiation. There is no way in which that political negotiating process can be passed over to anyone else to settle.

That's a very tough negotiating game; the Treasurer knows that. All I want to do is to make certain that as we approach the point in time where the players sit down at the table, the Treasurer has available to him the best hand which he can have. What concerned me and why I wanted to par-

ticipate tonight in this debate is the suggestion, inherent perhaps in what the Treasurer said, that somehow or other he has no leverage with respect to what I have called the funnel or pipeline through which these revenues pass from the consumers across the country with respect to the profits of the oil companies, whether those profits go to the federal government, the Alberta government, the Saskatchewan government or this government. Whatever government these profits go to, the oil companies, for the purpose of the case I am putting to the Treasurer tonight, are nothing but a fund, and I am completely neutral in attitude towards that fund. All of the moneys do come that way, the question is who gets them?

[8:15]

I think the Treasurer very clearly put his position in an address which I understand he gave to the Canadian Bar Association, in which he appeared, and I say the Premier's (Mr. Davis) statement in August and all subsequent statements made by this government, appeared to leave this government in the position of a supplicant to the federal government to intervene in this question of what Alberta may or may not do. All sorts of language is being used about the escalation of that fight. He is not particularly interested in seeing it escalated into a slam-bang fight because the realities ultimately will come through.

What the Treasurer said is: "If the federal government and Alberta choose to increase oil prices substantially, then Ontario insists that a new method of reinvesting the money be put in place immediately. That would require strong federal leadership. We are not arguing for an extension of the federal jurisdiction; but we do believe that the federal government has the authority, and more important the responsibility, to protect those national interests it has been charged to serve by the electorate across Canada.

"In our opinion, the past policy has failed. In the medium term, if no one yields this country is headed for bad news. We shall have very unpleasant tension between regions."

What my colleague, the leader of this party, touched upon was whether or not the Treasurer would intervene at the federal level or try to influence the federal level in some decisions which it may or may not make. I am going to ask the Treasurer whether or not he will consider putting before this assembly a bill which would provide him, when he goes to the negotiating table, with the kind of leverage or the kind of cards in the game that is going to be played—and I mean that seriously, not in any particularly joking sense—so he does have some leverage on those revenues.

I am going to suggest it is absolutely essential that the government have in place before it approaches that bargaining table a statute of this province which will tax, if brought into force, the moneys which arise in the province of Ontario and which flow to the oil companies.

I want to touch on this only very briefly, because the minister has his advisers, and he has under the gallery this evening a particular adviser whom I respect, who can well look at what I am talking about.

It is trite but fundamental law in our country, decided as far back as 1887, that a province has the ability to tax an organization which is operating for the purpose of making profits within its jurisdiction. "But the tax now in question is demanded directly of the bank"—it was the banks at that time; I substitute oil companies—"apparently for the reasonable purpose of getting contributions for provincial purposes from those who are making profits by provincial business."

The Treasurer knows there is absolutely no question that the corporation income tax of this province is valid legislation within the jurisdiction of this province; that it can be specifically directed to a particular segment of industry in a way that differentiates from other segments; that it can deal with something called the profits from the sale of petroleum products in the province of Ontario; and that the permanent establishments are here on the basis of which that jurisdiction can be asserted. As the Treasurer said in his response to my colleague: "Representing 40 per cent of this country's people, and a lot more than 40 per cent of the seats the federal government holds, we are telling them that this is in the interests not only of this province, but all the consumers of Canada. We are fighting hard on this."

I say to the Treasurer that in the competition for the revenues which are finding their way to the governments in Canada in disproportionate ways, including the federal government, this Treasurer must have in place his lever on those funds. He must be able to say, "I too have a statutory authority to tax the revenues that are coming through the oil companies;" just the same as the Alberta government would be deriving revenues, by whatever name, from those oil companies; and just the same as the federal government, by whatever name, is deriving revenues from those same oil companies.

What we're talking about is the global pot and how it is to be divided. I would be very concerned if this government were to go to that Ottawa meeting without having—just as the federal government and the Alberta government and any other interested government is in a position to have—if I may use the term, the best bargaining counters in its arsenal so that when the time comes we can be seen to be seriously involved in it.

We don't have to talk about the kinds of dollars; they're not different, we can be neutral about it. We're simply talking about dollars which originate in the province of Ontario and are part of the global pool that goes into the funnel called the oil companies, and which ultimately find their way in varying proportions to the other governments.

The fact that we have no oil and the fact that we can't levy excise taxes are not factors which should interfere with this province using its legitimate taxing authority to put in place a tax which says that if we can't get it by recycling, that is of moneys which originate here which form part of the profits of the overall funnel of moneys going through the oil companies to the government, we want the federal government to know that while we do not want to do it under any co-operative negotiating system, we will not stand idly by to see that number of dollars diverted from this economy to another economy or to the federal government, and rely on some agreement over which we have no control in order to make certain that in some way those moneys are going to come back here to us so that we can cushion people against the net impact which is required, and so that we can finance in a very real way the necessary changes in the balances of the energy system of this province in order to move towards something called a balance which is less dependent upon crude oil, which is the stated aim of the government.

I'm talking in a neutral sense about the dollars involved, but I want to say to the government, in order to illustrate what I am saying, that the numbers of dollars available to this province on a 40 per cent basis, to use the Treasurer's percentage—and I'll allow him to make it—are available. Someone is going to have to sort it out, but we must have the authority to tax our share here in this province on a standby basis if we can't get a deal any other way. I take it away from no one, and I support entirely what the Premier and the Treasurer are saying, and I'm sure what the Minister of Energy (Mr. Welch) is saying. We want a negotiated settlement that's fair to all Canadians.

I don't take away any part of that concern, but if this government is engaged in the tough game which is obviously being played at the present time, it has got to have its counter available. The toughness of the game, to my mind, is no threat to the unity of the country. The toughness of the game and the capacity of the players will determine the unity of the country; it's only when any player is playing weak and doesn't understand his strengths that in a very real sense it has a bad effect on the goal of maintaining the unity of the country.

People can calculate the percentages and some of the dollar amounts any way they want. I'm going to talk in millions of dollars and I'm going to round off the figures, and I'm going to use four companies which do business in this province and derive a substantial part—let us say 40 per cent—of their profits, which are available to this government for tax.

Shell Oil: $69 million in 1972; in 1978, $151 million; in the first nine months of 1978, $105 million; in the first nine months of 1979, $174 million.

The Gulf Oil Company: in 1972, $66 million; in 1978, $183 million;—

Mr. Kerrio: Tax them; they're windfall taxes, Frank.

Mr. Renwick: —the first nine months of 1978, $126 million and the first nine months of 1979, $192 million.

Imperial Oil: $151 million in 1972; $314 million in 1978; in the first nine months of 1978, $224 million; in the first nine months of 1979, $309 million.

Texaco: $42 million in 1972; $148 million in 1978; in the first nine months of 1978, $109 million; and in the first nine months of 1979, $169 million.

Regardless of how one looks at those figures, the fact is those dollars are generated in this province and it is essential that this government has in place the authority to tax those profits made in this province as part of the revenues which are in dispute as to their reallocation.

Mr. T. P. Reid: Come on, that's impossible.

Mr. Renwick: My friend on the right belongs to a party which illustrated this afternoon they know as little about collective bargaining at the national and interprovincial level as they know about collective bargaining in the private sector or in the public sector in matters of labour relations.

Mr. T. P. Reid: Don't be biased. What the member is saying is absolute nonsense. He knows it's nonsense.

Mr. Deputy Speaker: Order.

Mr. Renwick: There is no simplistic answer to this question.

Mr. T. P. Reid: That one the member offered.

Mr. Deputy Speaker: Order.

Mr. T. P. Reid: Why doesn't the member speak to the Treasurer? He realizes the truth.

Mr. Renwick: I am speaking to the Treasurer, I am not speaking to my simplistic friends on the right. I'm saying to the Treasurer that whatever devices the government of Saskatchewan uses—

Mr. T. P. Reid: You talked about constitutionality this afternoon and you obviously know nothing about it.

Mr. Renwick —to attract revenue from the funnel of the oil companies—

Mr. T. P. Reid: Tax the profits of the oil companies in Ontario; it's ridiculous.

Mr. Renwick: —whatever devices the federal government uses to attract their share or some proportion of those revenues, I want Ontario to have available to it its particular method of extracting its share of those revenues. In that way, when you go and sit at the table you are able to say, "We want a negotiated settlement." That's the way financial matters are settled in this country. We want to negotiate it in a fair way, but we want to have the counter which is available to us to counteract—

[8:30]

Mr. T. P. Reid: I think the member is taking leave of his senses.

Mr. Renwick: —the argument which is being put so forcibly by the Alberta government, the argument which is being used in Ottawa against this province, if it is successful to avoid a group decision with respect to how those resources are to be allocated.

Mr. T. P. Reid: This is absolutely preposterous.

Interjections.

Mr. T. P. Reid: Talk about changing the rules of Confederation.

Mr. Renwick: I want to reiterate, if I may, what I tried to interject in that strange question and answer period this afternoon, the very fundamental fact of life under our federal system, and that is that having regard to the end result of the legal division of powers and to the disparate economic strength of the various provinces amongst themselves, it is understandable why the financial relations of dominion and provinces have become a central issue in Canadian federalism, an issue in which the strict legal position is of secondary importance.

My plea to the Treasurer is to have in place the kind of law which he can use, if it is necessary to do so, in order to ensure that rather than recycle on an equitable basis by negotiated settlement, that if that route is denied to him he will have the ability to move directly within his jurisdiction to ensure there will not be that outflow of dollars from this province in a way which goes beyond our authority to control it.

Mr. T. P. Reid: How can you do that to companies not domiciled in Ontario?

Mr. Deputy Speaker: Order. This isn't question period.

Mr. Renwick: I suppose that's why I don't like to go back to what I call the constitutional facts of life. We tax, on the basis of permanent establishment under the Corporation Tax Act of the province of Ontario, the profits of the oil companies as they arise in this province. The taxes under the Corporation Tax Act, I think, if I can recall the language, are "the profits attributable to that permanent establishment." We tax those profits because they're earned here.

Mr. T. P. Reid: Right, so the point is they don't have to sell us any oil.

Hon. F. S. Miller: It's not that simple.

Mr. T. P. Reid: Isn't that what Lougheed said last night?

Mr. Deputy Speaker: Order.

Mr. Renwick: Let me perhaps say that particular dimension of the problem had escaped even my imagination, fertile as it is on many occasions.

Mr. T. P. Reid: Only in some of your fantasies.

Mr. Renwick: The likelihood of Imperial Oil or Texaco or Shell deciding they won't sell us any oil will produce the kind of situation in this country which will be so revolutionary there will be no place left on the political scene for a party which subscribes to the kind of misbegotten political philosophy of the party on the right.

Mr. T. P. Reid: The fact remains we're here and you're there because this kind of philosophical rambling doesn't mean anything.

Mr. Renwick: I'm interested in talking to the tough poker player from Muskoka. He will understand he's got to have something more than rhetoric in his pocket when he goes to meet the other Premiers, and I hope the Prime Minister of Canada, to settle this question.

I urge upon my friends on the right that if anybody wants to have the source of any comments of my view with respect to the constitutional powers of this province, with respect to the thesis I put forward on a very neutral basis, then I would suggest that perhaps they go to what is well known to those who know me, Laskin's Constitutional Law of Canada, chapter 10, Taxing Powers, and take it home and read it some time. It is not difficult. It is known as the facts of life when one lives under a federal system in Canada.

My question to the Treasurer is, is he going to go naked to the conference table or is he going to go fully clothed?

Mr. Hennessy: He will get arrested if he does.

An hon. member: Wearing the emperor's clothes.

Mr. Laughren: Wearing the emperor's jewels.

Mr. Hennessy: It wouldn't make any difference.

Mr. Renwick: All I can say is I am pleased that in a supply motion I have had the opportunity to put before the Treasurer a matter which I would be glad to pursue privately with him on any other occasion. I wanted to put before this House my concern that the Treasurer may well be overlooking a fundamental constitutional strength which he has within the federal system as one of the facts of life under which we live.

I want to urge upon him that he cannot ever place this province in the position of not acting. If necessary in the long run, he can protect this province constitutionally by taxes from a substantial part of that very outflow of money, which is at the core of the concern of the major statement made in August by the Premier of the province, and supported ever since by the various statements of the leading ministers of this government.

I urge his consideration of that proposition and I await his response to it.

Mr. Bolan: I would like to address myself to a topic which has been raised and spoken to quite eloquently by my colleague the member for Kent-Elgin (Mr. McGuigan), that is the question of high interest rates in the country.

I can understand in a sense the position of the governor of the Bank of Canada. I can understand what he is trying to do. He is trying to get the dollars which the American banks are getting by remaining reasonably competitive for the dollars which they are attracting. I can understand also what would most likely happen in the event this policy were not pursued. That is one side of the interest story, if we can call it that.

I would like to pose a question to the Treasurer, which I presume he would be able to answer. In spite of the fact that many of the demand loans which were floating around the country today, many of them in the province of Ontario, were taken out at a certain interest rate when the interest rate was eight or nine per cent, the traditional answer of the banks when they raised their interest rates after the Bank of Canada raised its interest rate was "Well the Bank of Canada has raised the interest rate, therefore, we have to raise our interest rate."

The money which was lent to these small businesses at eight or nine per cent is now being lent to them at 12 or 13 or 14 per cent or whatever the new rate of interest may be. The traditional answer one gets from bankers is "The Bank of Canada has raised the interest rate; therefore, we have to raise the interest rate as well." The question I pose is when was the last time any chartered bank in this country borrowed money from the Bank of Canada?

I am given various stories on this. I am told the last bank to borrow any money from the Bank of Canada was the Toronto-Dominion Bank 15 years ago. Others tell me 1953 or 1954 was the last time anybody borrowed any money from the Bank of Canada.

Why is it the lending institutions today are allowing the rate of interest to the businessman to rise based on the fact that the Bank of Canada interest rate has gone up? I could understand the situation if I was to walk into a bank today and the bank could legitimately say, "We have had to borrow the money from the lending people at 13 per cent, therefore we are going to lend it to you at 15 or 16 per cent." I could understand that. But I cannot understand the position they take about money which was borrowed at seven or eight per cent, let's say two years ago when the interest rates were substantially lower, and that money is now being repaid on a demand note at 15 or 16 per cent. Why is it the banks are using as their excuse or their reason for increasing the rate of interest on demand loans the fact that the Bank of Canada rate has gone up?

If they went out, as I said, and borrowed the money to make that loan—

Interjection.

Mr. Bolan: The member for Lakeshore will have a chance too. Don't worry about that. We love to hear from him.

Mr. Lawlor: You're right, you're right; I told you that.

Mr. Bolan: Absolutely I'm right, I know that; but I really am waiting for an answer on this, because as I say no matter which banker you ask, you get that answer. "Oh my goodness, the Bank of Canada has raised its interest rate therefore we must bow to the Bank of Canada and we, too, must raise our interest rates." Raise the interest rates on money that was loaned to the banks themselves some time ago at a lower interest rate in order for them to get the money to put out to the consumer.

I would hope the Treasurer of Ontario, when he sits down with his friends in Ottawa, would ask these fundamental questions as to just what is going on in the banking community.

Mr. Mancini: Tory times are hard times.

Mr. Bolan: Is there in fact a windfall profit which is being made by the banks at the expense, eventually, of the consumer? Because one can rest assured that the high interest rates are being passed on to the consumer. There lies one of the biggest problems which we have right now.

I would hope that a person of the stature of the Treasurer of a province which once was the wealthiest but which now stands in second place, but which certainly has the highest population and the largest number of consumers in the country, would be able to go to his friends in Ottawa and say to them, "Let's get some explanation for this."

In a sense I really am inviting the banks to take some initiative on their own and to say that even though the Bank of Canada is going to raise its rates again, which is going to happen within the next two weeks, they are not going to raise theirs.

But I suppose the bottom line of it is this: it is an axiom of Canadian politics that Tory times are hard times.

I think it can safely be said in this House, or it can safely be said on the street—

Mr. Ashe: That's why there are so many Liberal governments left in this country.

Mr. Bolan: —or it can safely be said in any place in this country, that we have the proof positive that Tory times are hard times.

Interjections.

Mr. Deputy Speaker: Order.

Mr. Bolan: And, we are seeing mismanagement today in all walks of Canadian life.

Mr. Isaacs: It is a pleasure and a privilege for me to rise and support the remarks made earlier by my colleague, the member for Nickel Belt (Mr. Laughren), the next Treasurer of Ontario, and to amplify in one specific area the comments that he made.

I am sure the Treasurer is aware that the main difference between members of this party and members of his own party relates to priorities and to an approach to the social order.

The debate we are involved in today relates to economic priorities and those, at the present time, are very close to the hearts of most citizens of this province. I would add that I am not sure the members of the official opposition have an approach to either economic priorities or the social order. I think that's why they remain where they are and will not succeed in the future.

[8:45]

The member for Rainy River (Mr. T. P. Reid) earlier this afternoon heaped accolades on the past Treasurer.

Mr. T. P. Reid: I what?

Mr. Bolan: He would never do anything indecent, would he?

Mr. Isaacs: Mr. Speaker, I suggest that it's the past Treasurer, because of his approach to taxation and because of his approach to the raising of revenue, who is responsible for many of the problems we have in this province today.

I want to refer specifically to property taxes. The Treasurer has left us for a few moments. I am sure he will return, and I am sure he has his opinion as to the part that property taxes are supposed to play in this province.

It seems to me there are two theories for property tax. The old one, if you like, is that it's a tax on users of real estate, on users and renters of homes and other property. The new one, I think, is that it's a tax on capital which is supposed to be in an indirect way a tax on wealth. It seems to me that's the argument we have heard in the past three or four years, from the Treasurer's predecessor especially and from time to time from the present Treasurer.

The Ontario Economic Council, which is a body I neither support nor oppose, but it's there—and I suggest we should use it because it's there, despite the problems of its membership—commissioned a research study in 1978 that was conducted by some experts who were far more knowledgeable about property taxes than anyone in the official opposition.

Mr. Kerrio: Tell us how they did things in England with their socialist governments. Explain that. Explain what Margaret Thatcher is trying to do now.

Mr. Isaacs: That study indicated property taxes are regressive in their incidence in the case of households which have incomes, in 1969 dollars, of less than $10,000 a year. Ten thousand dollars a year in 1969 translates into slightly more than twice that in 1979. That study, a 1978 study, indicated very clearly the regressivity of property taxes in this province.

In 1974, Statistics Canada concluded essentially the same thing, that property taxes are regressive for home owners, especially in the case of low-income home owners, even after the application of the Ontario property tax credit. We hear much from the other side about how the Ontario property tax credit solves all the problems. I want to suggest to the Treasurer that it really doesn't help at all and that property taxes are still a very major problem in this province and one that needs looking at very seriously. That problem arose because of the Treasurer's predecessor and his approach to local government; and the present Treasurer and his colleagues have done nothing to solve the problems we face in that area.

Mr. Speaker, you may well be aware that property taxes in Ontario provide a greater amount of total provincial and local government revenue than in any other province in Canada. We rely more on property taxes than does any other province. I want to suggest that it's an indication of how bankrupt this government is in terms of ideas for raising revenue when we have to turn to such a regressive form of tax to provide the supply that the minister is seeking today.

Mr. J. Johnson: Where do you want to get the money?

Mr. Isaacs: The converse is also true, that Ontario derives a smaller portion of its total provincial and municipal revenues from income taxes, both personal and corporate income taxes. I suspect the Treasurer would agree, whatever the argument about other forms of taxes, that income tax is almost by definition the most progressive form of tax we have.

Mr. Ashe: They really found that in England under your system, didn't they? Why didn't you stay over in that country with its high income tax? They had a really progressive income tax there.

Mr. Isaacs: I want to suggest to the Treasurer that his government should be giving much more consideration to raising the money it needs from those who are able to pay rather than from those who are already suffering under the high mortgage rates, the high property taxes and the expenses of running a home, as are so many in this great province. It is the economic policy, the budgetary policy and the revenue policy of this government that I totally reject.

I want also to use one example of the kind of problems that are being caused by the transfer of responsibility from the provincial government to local government. That is in regard to the matter of waste disposal. The municipal governments in this province have been handed holus-bolus the responsibility for waste disposal, and they have been asked to fund that responsibility from the only source of income available to them outside of provincial transfers, the property taxes.

I want to suggest to the Treasurer that decentralization of this kind leads to inefficiency in research and management of waste disposal facilities. It leads to an inability to plan for the future. It avoids the issue of job creation, which is so important to us in Ontario at this time. Instead we allow local government to take the easy way out, the route which is cheapest in the short term and which does nothing to help our economy, which does everything to destroy our future.

That's the problem with the kind of transfer of responsibility we are seeking and with the kind of economic policy we face.

Hon. Mr. Gregory: And in conclusion.

Mr. Isaacs: I want to ask the Treasurer where is our long-range planning; where is our dream of the Ontario tomorrow? I submit that dream has gone down the long Ontario Tory economic tube. It is sad; but fortunately there is a light at the end, a light that I believe will come sooner rather than later. The people of this province will be able to decide whether they want to build for tomorrow or whether they want to fight the fires of today in a way that destroys our future.

Mr. MacDonald: In the best of parliamentary traditions, it is the right of the commoner to seek redress of his grievances before he votes supply for the financing of the realm.

I have a number of grievances, more than I would dare to deal with tonight, but there is one I want to focus on and it is centred—if it doesn't disturb the parliamentary assistant to the Minister of Energy—in an editorial in this morning's Globe and Mail.

Mr. Ashe. That was good.

Mr. MacDonald: Did he think it was good?

Mr. Ashe: Did you read it?

Mr. MacDonald: It disagreed with a good deal of what he said in the committee.

Mr. Nixon: I thought it was seriously unfair.

Mr. MacDonald: Let me quote from the editorial. In its initial—

Mr. Nixon: No, don't quote it.

Mr. MacDonald: I will eliminate the most embarrassing paragraph. In its initial paragraph it says: "Ontario is in danger of being pushed into the chasm of energy shortage by a legislative committee that does not even recognize the chasm is there.

Mr. Ruston: You are chairman of it.

Mr. MacDonald: "One of the silliest remarks made by a group of remarkably unrealistic politicians . . ." it says en route, and then finally: "Yet there sits a committee of the Ontario Legislature blandly considering cutting off our sole indigenous source of immediate energy." I welcome public debate on an issue as important as electrical energy in this province, and particularly nuclear electrical energy. What disturbs me about what appears to be the pattern and thrust of editorials in the Globe and Mail is a total ignoring of the basic realities of the situation.

Hon. Mr. Gregory: They normally speak well of you.

Mr. MacDonald: Just listen. There is no chasm of energy shortage in the province of Ontario on the electrical front at the present time. There is no prospect of a chasm, none at all.

Mr. Ashe: That's your opinion.

Mr. MacDonald: As a matter of fact, our problem is we have an embarrassing—

Mr. Acting Speaker: The member for Carleton-Grenville.

Mr. Sterling: Mr. Speaker, on a point of order, I would like the present number to outline exactly what this has to do with this present motion before the House.

Mr. Bolan: Why don't you sit down?

Mr. Acting Speaker: I believe the member for York South said he was outlining his grievances on this motion and I believe he's endeavouring to explain those grienvances.

Mr. Mancini Trying to censor the House, shame on you.

Mr. Martel: How long have you been around here?

An hon. member: Too long.

Mr. MacDonald: Obviously not long enough.

Mr. Martel: You might study the rule book.

Mr. Acting Speaker: The member for York South has the floor and the chair would like to hear from him.

Mr MacDonald: As I was saying before I was rudely interrupted, there is no chasm of energy shortage in the province of Ontario as far as electricity is concerned. Our problem is the reverse—an embarrassment of abundance.

At the present time, and I won't go into the details because in an energy debate—

Hon. Mr. Gregory: Envy of the world.

Mr. MacDonald: Just listen and you might learn something. In an energy debate a week or so ago I put most of this detail on the record, Mr. Speaker, but let me try to summarize it.

We have at the present time, in addition to the 25 per cent reserve generating capacity which Ontario Hydro deems to be necessary for planned and unplanned outages, we have some 20 per cent or 4,000 megawatts of surplus capacity—$4 billion have been spent for this surplus capacity. Because it sits there idle and is factored into our rate structure, we are carrying the burden of that excess capacity every day.

Mr. Ashe: Put the whole thing on the record.

Mr. MacDonald: I will, just wait.

Interjections.

Mr. Acting Speaker: Order.

Mr. MacDonald: Hydro's reaction to this embarrassing surplus is rather interesting. In terms of its existing generating capacity, it has stopped and stored Wesleyville, on which it has spent $300 million and which will remain stopped and stored until the 1990s; it has mothballed Keith, the plant down in Windsor, after spending $36 million on its rehabilitation.

It has stopped and stored half of a heavy water plant which provides the necessary ingredients for its nuclear components. It is completing the second half, and when it is completed it has every prospect and the assurance of Atomic Energy of Canada Limited there will be no need for the product from Ontario, and therefore it will have to mothball that $300 million or more kind of establishment.

In terms of its new generation which is under construction, it has extended the construction of the Atikokan coal-fired plant. It is extending the construction of Bruce B and Darlington. In short, the major construction programs at the present time, in order to

cope with this embarrassing surplus of generating capacity, are being extended further years to try to absorb that capacity.

Let me illustrate that extension. I illustrate it in the context of the preoccupation of the Globe and Mail editorial this morning, namely with regard to Darlington.

[9:00]

In 1977 this government rushed in prematurely on the contention that if we didn't build another nuclear station we would be faced with the prospect of brownouts in the mid-1980s. We rushed to launch the building of Darlington, which was to be completed between the years 1984 and 1987. Because of the extension, Darlington today is scheduled for completion between 1988 and 1990. On the basis of the evidence we got from all reliable sources at the select committee, the requirement for the Darlington power is going to come into the picture at the earliest about 1992, and it won't need to be completed until 1996.

So you have a 12-year postponement on the basis of the select committee's calculation, and at least a four, five or six-year postponement—

Hon. Mr. Gregory: That's where you get into trouble right there.

Mr. MacDonald: —on the basis of Hydro's calculations, because of a drop in the need for electricity in the province.

Hon. Mr. Gregory: That's where it is—in the select committee.

Mr. MacDonald: The interesting thing is this—and I trust the government whip will just listen, he can't listen while he is making so much noise.

Mr. Mackenzie: If he did listen he wouldn't understand.

Mr. MacDonald: The select committee has come to the conclusion the prospective growth in power in Ontario is going to be between two and three per cent. May I draw to the attention of the whole House that the parliamentary assistant to the Minister of Energy agreed, on the basis of the evidence which had come to the committee from all the reliable sources which have studied this, that two to three per cent was a fair and accurate assessment.

Mr. Ashe: What about the other things I said?

Mr. MacDonald: Not only do members of the Liberal and New Democratic Parties, but the members of the Conservative Party with their leading spokesman, the parliamentary assistant, agree that two to three per cent, on the basis of the evidence we have, is a fair assessment at this stage of the prospective growth in electrical energy.

The interesting thing is that some of the critics, and members saw it magnificently illustrated in the Globe and Mail editorial this morning, are questioning this two to three per cent. They lament that the committee in the eight months or so since they looked at this issue first back in January and February have reduced the likely drop from two to four per cent down to two to three per cent.

Again, before I get an interjection from the other side of the House, may I remind the members over there that the projection of the Ministry of Energy economic model through to the end of the century is an annual growth of 2.2 per cent. So let's not dismiss this as being some airy-fairy, unsubstantiated sort of figure.

The kind of argument put forward in the Globe and Mail editorial this morning claims there may be changes in the requirements for electricity in the future; there may be larger forecasts, there may be larger needs because there may be a stepping up in economic development and activity in Ontario. That's true, nobody denies that; but may I remind the House we have got 4,000 megawatts of generating capacity sitting there idle waiting to fill the gap when and if the gap ever occurs.

We have an extended construction program that can be dis-extended, or whatever the appropriate word is; one can remove the extension of a construction program if and when it is needed. In short, there is plenty of capacity to cope with any unforeseen increase in the forecast of the electrical needs of Ontario.

Another great preoccupation with which the parliamentary assistant to the Minister of Energy has become obsessed, and it is reflected in the Globe and Mail editorial, is that there are technological changes which may result in a greater use of electricity, particularly in the transportation field. We may have, as we are now told by the visionaries of this period, a time when we are all running around in electric cars. Mr. Speaker, it may be true, but may I just remind members the extent to which we bring electrical transportation into the field, particularly cars, is not going to require an enlarged generating system because for the most part the recharging of the batteries of the electrical cars will take place at night, which is the off-peak period when there is plenty of generating capacity normally idle.

Mr. J. Johnson: We should all have our batteries recharged once in a while.

Mr. MacDonald: Mr. Speaker, there are other technical changes that tend to be ignored on the other side of the sphere. For example, there are now some new innovations coming in with regard to motors which will require only 65 per cent of the electricity which they've used in the past. Fantastic amounts of electricity are used in motors, generally in industry and elsewhere in the province of Ontario. We have new electric lightbulbs which can operate on some 50 per cent of the capacity that has been traditional in the past.

If you're going to take a look at technological changes which will potentially increase the electric load in the future, you must also look at technological changes which are going to reduce that electric load in the future.

I repeat, as this load tends to build—and it will, undoubtedly, by a small proportion each year, two or three per cent—if we find ourselves caught with an unforeseen increase in the load, we have these 4,000 megawatts of power and this extended construction program that can be brought on at a faster rate in order to bridge the gap.

In fact the interesting thing is this: For those members who have read—and if they haven't, they should to see how sometimes basic facts can be ignored—the editorial in today's Globe and Mail, they will note how out of step it is with the latest statement that has come from this government, from the Miniser of Energy (Mr. Welch) on October 1.

In the Minister of Energy's forecast for what should be done in the next 15 years, to 1995, may I remind Mr. Speaker and everybody else who is interested in this topic, the minister indicated all his projections for the next 15 years did not envisage any expansion of the current nuclear component in the Hydro generating system; none at all up to 1995, even though Hydro at the moment is planning on the basis of completing Darlington by 1990.

Instead they are suggesting we can develop some 2,000 megawatts of new hydraulic power from some 17 sites across the province of Ontario. They are suggesting—I dare to warn you perhaps a little prematurely—there are 1,000 megawatts of power that can be generated from the lignite coal sites at Onakawana, in northern Ontario. Most important of all, whereas a year ago this government was saying the increase in the input province of Ontario over the next 20 years would only be two per cent—energy from non-conventional renewables, such as wind and solar and biomass and waste materials—in the new projections of the Minister of Energy as of October 1, it is a minimum of five per cent in the next 15 years. New hydraulic energy capacity, the possibility of Onakawana and the lignite fields, a significant, indeed almost a 600 per cent increase in the projections of power we can get from non-conventional renewables over the period, an increase over the period of the last year, is where the ministry views the prospect of being able to meet any unforeseen increase in our load during the remainder of this century.

In short, let me sum it up: We are protected with all of this reserve and all of these new and alternative sources of energy against the prospect of a chasm in energy shortage in the electrical field.

It raises a point that I want to leave with the members to think about rather seriously, that is, if we have 4,000 unused megawatts of power at the present time and if we have all of these alternative sources of energy that the minister himself has designated as the areas of priority for the next 15 years, will the minister explain to me why one should contemplate, as the Globe editorial suggested this morning, the building of more nuclear plants which we simply don't need? What is the government going to build them for? Is it going to build them to add to the surplus capacity and to add to the idle generating facilities which are factored into the rate structure which the minister and I are paying for while they're sitting there idle?

Don't be distracted by saying we're going to have profits from exports. We have a measure of profits from exports. But let me remind the minister that at the present time the latest figures indicate that exports of Ontario Hydro to the United States range between 400 megawatts and 1,000 megawatts out of an unused capacity of 4,000, in other words, from 10 to 25 per cent. The rest of it is a dead weight for which the bond issues have been sold and for which he and I are paying.

In short, the proposition that we should continue to build new generating facilities, nuclear or any other kind, when we have no foreseeable or assured use of them is surely nonsense. If there is some spectacular kind of development, which one would almost get the impression the parliamentary assistant now envisages, an overnight electrification of a significant proportion of transportation, cars, for example, I suggest upon mature consideration that the lead time for that kind of revolution in transportation is going to be as long, if not longer, than the lead time to build new generating facilities.

All that we've got now protects us from the chasm of shortage. That's something I would like the members of the House and the government to contemplate, and I just have the faint hope that it might seep into the editorial back rooms of the Globe and Mail too.

Mr. Deputy Speaker: The member for Durham West.

Hon. F. S. Miller: You don't have to.

Mr. Ashe: Yes, I do.

Mr. Kerrio: Listen to your boss.

Mr. Breithaupt: That's why he's the assistant.

Mr. T. P. Reid: He will always be a parliamentary assistant.

Mr. Deputy Speaker: Order.

Mr. Ashe: It would appear to me that we already have resolved from the members opposite that they're going to put in the time tonight. I think if we're going to talk about the relevance—

An hon. member: You'll be making an Ashe of yourself again.

Mr. Ashe: —or irrelevance of the last speaker in terms of the budget policy and in terms of interim supply for this government, then we should at least have the record in balance and straight.

If there was one thing that came out of the rhetoric of the last speaker, the chairman of the select committee on Ontario Hydro affairs, it was the socialist philosophy that portrays that particular institution on that far right side. Sometimes it's unbelievable when one hears some of the rhetoric that goes on over there as just espoused by the chairman of the select committee.

First of all, it's amazing how he can take certain things out of context and portray them as being policy—

Mr. T. P. Reid: He has had lots of practice at that. He's been practising for 25 years.

Mr. Ashe: —and as being statements. Of course, that's not so at all, even what he said relating to items that I personally as a member of that committee talked about on the growth rate which, no doubt, has a direct and indirect implication to the fiscal policy of this government, to Ontario Hydro and, in one way or another, to the pocketbooks of the taxpayers and hydro users in this province.

The things he did not say were other things that I put on the record as to why the committee should not, based on the information it has, make the decision it did to lower to the two to three per cent growth rate. I did acknowledge and I do acknowledge that, but based on the information that they only wanted to consider, I can see why they came to that conclusion of the three per cent.

I did put on the record many of the other issues that are very important in the next decade and in the next 15 years in this province, such as why that figure may very well prove to be incorrect; why that figure may very well end up being inaccurate and low and that the consumers in this province would not be very well served in this instance in using a conservative figure. There are many times when the conservative approach, particularly from this side of the House, is the right one; but I don't think that one was the right one.

[9:15]

Mr. Nixon: You never said so in the committee.

Mr. Ashe: The member should read back in the record, that last day.

Mr. Nixon: I read your speeches every night before I go to bed.

Mr. Ashe: I'm glad to hear it. It's good bedtime reading.

Mr. Deputy Speaker: Order.

Mr. Breithaupt: Better than Sominex.

Mr. Ruston: Quit sending your speeches to the House, George. I don't need them there and here both.

Mr. Ashe: I'll even send the member a pair of scissors so he can cut them up and use them accordingly.

Mr. Ruston: Save the postage and quit sending them to the House.

Mr. Breithaupt: Talk about a waste of public funds.

Mr. T. P. Reid: That note says, "Shut up and sit down."

Mr. Ashe: There was one very interesting half-analogy, I think, that came from the previous speaker. I say half because the second half will never come to fruition. May I put that into context?

Last Saturday I had the privilege and pleasure to be up at La Grande in the province of Quebec at the startup of the Hydro Quebec project known as James Bay. It was very interesting to hear—being fluently bilingual I was able to translate as I went along—the Honourable Mr. Levesque, the Premier of that province, espousing this great project that was now coming to fruition.

I'm not belittling that—to the contrary. It is a great engineering feat. It is awesome to see the magnitude of LG-2 and the dam, to

see the great waterfall which really is a great comparison to Niagara Falls, only on 10 levels. It really is a magnificent engineering feat.

Mr. Kerrio: It doesn't have the romantic touch.

Mr. T. P. Reid: It loses something in the translation.

Mr. Ashe: There's one slight difference. That's the kind of rhetoric we've just heard from the previous speaker. The one difference is, the speaker we heard last Saturday said somewhat the same things as the honourable member opposite said some seven or eight or nine years ago. He was talking about how crazy was the then government of the day—I might say, a Liberal government—in going along a path that was doomed. They were saying they were oversupplying the necessities and the electrical needs for Hydro Quebec for the years, the decades and the generations ahead; that it was economic folly and fallacy to be going that route. It's amazing how as of last Saturday it became a great—and it was great—accomplishment.

As I say, half of that analogy is true. The only difference in the criticism opposite is that the honourable member over on that side will never have to worry about pushing the button 10 or 20 years from now on the government side of the House. That's where the analogy finishes. There's no doubt that with what is espoused over there, the economic future of this province would be nil. The flexibility to adjust to change that this government and, I think, Ontario Hydro have indicated over the years would no longer be available. Before they would be able to react to anything the lights would be off, industry would go down to a close, the motors and engines would stop, our industrial capacity would be nil. That's what would happen over there.

One of the other differences I tried to convey to the select committee just last week was how fast things change in this province. As late as last winter we were not including—I say "we" and I'll even include in that the Ministry of Energy—in our projections any great change in the demand for electricity for interfuel substitutions, particularly replacing crude oil, fuel oil, ultimately gasoline, both in the passenger car sector as well as possibly the electric train area.

That in itself shows how fast things can change when we recognize that the nuclear capacity and the nuclear process in this province takes anywhere from eight to 10 to 12 to 14 years to come to fruition. That's why I think flexibility is necessary.

Mr. Nixon: I am looking forward to the next Hydro meeting to see what your position is then.

Mr. Ashe: We'll see. I think I have already indicated what it will be. That just gives a little indication, without taking any more time of the House, of why the flexibility has to be there, both for the Treasurer and his economic policies, as well as Ontario Hydro and its policies for the future.

At this moment I think it is the genuine feeling of most of the people in this province, obviously properly identified by the editorial policy of the Globe and Mail, that it is better to have a little too much than to be stuck with the problems of having just a little too little.

Mr. Foulds: Twenty-five per cent is too little.

Mr. Deputy Speaker: The member for Essex North.

Mr. Ruston: Mr. Speaker, there have been many words of wisdom spoken in this debate, and since it costs $50 for each page of Hansard, I will sit down and not speak.

Hon. F. S. Miller: In the interest of my voice, Mr. Speaker, I will get close to the mike, as I have all day. That is the only thing I dare get close to today.

An hon. member: You've been on your knees all day, anyway.

Hon. F. S. Miller: I'm on my knees even now.

An hon. member: You should be.

Mr. Peterson: You look like you are wearing Frank Drea's shirt.

Hon. F. S. Miller: It feels very much like he lent it to me.

It is eight years and eight days, I think, since I got elected to this place.

An hon. member: It's too long.

Hon. F. S. Miller: I guess those who are yelling it is too long should also recall it is five years, six months and four days since I became a minister.

Mr. Nixon: Time for a change.

Mr. Peterson: You've really got to be an egotist to think that anybody here is interested at all. I've heard about the Peter Principle, but I'm not interested in your career. Why don't you tell us about the economy

Hon. F. S. Miller: I can only say, compared to some of the things I have listened to in the last six hours, that is scintillating dialogue.

What I wanted to say is simply this: I learned over those years to have an affection for some of the members opposite.

Mr. Peterson: Did you bring those guys in the other day?

Hon. F. S. Miller: No, David, but why don't you come and sit beside me?

Mr. Ashe: Your colleague did.

Hon. F. S. Miller: I have even learned, when I look at the member for Brant-Oxford-Norfolk (Mr. Nixon)—

Mr. Peterson: Great member.

Hon. F. S. Miller —to respect his love of the place and his knowledge of the procedures. I will never have that skill.

Mr. Peterson: He's got nowhere else to go.

Hon. F. S. Miller: I look to the member for Riverdale (Mr. Renwick), who is not here at the moment, and realize his analytical, icy approach to the technicalities of the law always should be listened to.

Mr. Kerrio: He was the one who insisted you stay here.

Hon. F. S. Miller: I rather enjoy the member for Rainy River (Mr. T. P. Reid). Even though he seldom adds the same kind of dimension as the other two, he always adds a human dimension, and a lot of the rest of you.

There are some I have some trouble warming up to, but I guess I shouldn't talk about them.

Mr. Laughren: Name one.

Hon. F. S. Miller: No. You are not one of them. I have learned I disagree with some, but I have learned something from almost all of them.

I have tried to listen tonight. I listened to the member for Riverdale talk about the division of revenues in his comments. He was perhaps talking about one of the most fundamental problems our government has tried to face in the last few months. His approach to it and ours may well differ in principle, but I would tell him I will look at his suggestions.

Mr. Peterson: The principle is no problem. Fifteen per cent is the problem.

Hon. F. S. Miller: The objective isn't that far different. He talks about a funnelling of money to other places and asks how we tap that funnel. That has really been the subject of Ontario's paper on the petroleum issue, a way and means of getting a fair share of revenues, not just company revenues as he talks about, but revenues in general, flowing to the provinces, the federal government and the companies.

The idea that we can tax corporations not domiciled here may have merit, although I've not heard of that yet. I would only say that in today's age, where companies can be easily separated so that the earning company is in one jurisdiction and the non-earning company is in another, that's very hard to do. That, of course, is one of the reasons we have things like sales taxes, capital taxes and other forms of taxes apart from income taxes; we have the right, I think, to share in the revenues and the moneys taken from one jurisdiction if they are going to another for tax purposes.

Without making any commitment to accept anything he said, I can safely say that Ontario is arguing—and, as he said, he called me the tough poker player from Muskoka—with more than a couple of deuces in our hand for those issues.

I would suggest to the member for Nipissing (Mr. Bolan), a man for whom I generally have a high respect, that when he talks about banks, he makes a good lawyer.

Mr. Nixon: Is that an insult?

Hon. F. S. Miller: I would only suggest to him that if he can he should show me where banks are lending money today at 14 per cent that they may have borrowed five years ago at seven per cent; the odd bit may be around, but most of them are dealing in a current market for borrowings. Also, the central bank's effectiveness and role are much greater than he portrayed.

Mr. Nixon: An apologist for the status quo.

Hon. F. S. Miller: I'm afraid I am not being an apologist; I am being a realist, and the honourable member know its. I would like to point out just the opposite. I wonder how many of the members are like me. I have a mortgage on my home.

Mr. Nixon: The Premier (Mr. Davis) has never paid a nickel of interest in his life. He got everything from Daddy.

Hon. F. S. Miller: I pay the outstanding interest rate of 7.75 per cent on my mortgage—

Mr. Bolan: Stop bragging.

Hon. F. S. Miller: —borrowed in 1967 from the bank, for 30 years at a fixed rate.

Mr. Nixon: It was to set up your used-car lot.

Mr. Foulds: You run the Treasury out of a cigar box.

Hon. F. S. Miller: All I would say is, I bet they are losing money on me. I think there are a lot of other people like me with whom

the banks or other lending institutions like the trust companies made deals in good faith some while ago when moneys were somewhat below that rate, and they are losing. I think some of the members know the trust companies are in trouble, because they work on spreads.

Mr. MacDonald: You are the people who proposed mortgage deductions.

Hon. F. S. Miller: It wasn't the Royal Bank. I won't reveal the bank; I don't want a run on its stock.

Mr. Speaker, we have listened to a lot of discussion today, most of it on topics that were—

Mr. Peterson: Totally irrelevant.

Hon. F. S. Miller: Not totally irrelevant, because I think most of them were relevant but probably to a discussion of another type. I guess one of the things I would hope we would have sorted out before another of these discussions would be a clarification of that which really is substance before the supply motion and that which is not.

Mr. MacDonald: Redressing grievances.

Hon. F. S. Miller: The member for York South is one of those I have always enjoyed: an unrepentant CCF socialist. I respect him for it.

Mr. MacDonald: An unrepentant CCF socialist? I don't know whether that is a compliment or an insult.

Hon. F. S. Miller: I respect him because I understand what he stands for, and it hasn't changed much through the years. At least I know he is motivated by his principles; that's something that's not true of a lot of people in this life.

Mr. Kerrio: I can respect him for it as long as he stays in the third place.

Hon. Mr. Drea: With friends like that, you don't need a biographer.

Hon. F. S. Miller: I really had so much material thrown at me, Mr. Speaker, that I have difficulty answering it all.

Mr. Peterson: Maybe you can respond to that nonsense of the member for Durham West (Mr. Ashe).

Hon. Miss Stephenson: Don't forget what you were going to say about the member for Wentworth (Mr. Isaacs).

Hon. F. S. Miller: I'm thinking it over.

Mr. Nixon: Why doesn't the minister sit down and let's vote for it?

Hon. F. S. Miller: I am going to do that. Why didn't the members over there sit down?

Mr. Ruston: Answer my speech, Frank.

Hon. Mr. Drea: If they had behaved themselves six hours ago, we'd all be home.

Hon. F. S. Miller: We have gone through a change in the date of the supply motion. When we suggested March 31, to begin with, it was simply because we thought of that as being the practice of this House to put the supply through till March 31. That is why it was there.

Mr. Kerrio: We're not going to be finished the debate by December 31.

[9:30]

Hon. F. S. Miller: I am quite satisfied that we will finish the estimates by December 31 and we will then be able to put our supply bill. I would like to point out that at this time this year we have very few more hours of estimates left than we had a year ago at the same time. I would also point out that probably, had the committees been on estimates as much as they could have been, we would have been well down the line in the meantime.

I am glad that I sense a degree of support from the opposite side, because I have to point out that none of us is served well by any contrived delay of supply. It is a confidence question; I think that's one thing we have to recognize. It's not something I am throwing up as a confidence question; by tradition it would have been. None of us wishes to have an election on an issue of this nature, when we are doing the routine business of the House, because we don't want an election on something that's mechanical; if we have an election, we want it on a principle that's easily understood.

Mr. Peterson: Like rent controls; don't give me this BS.

Interjections.

Hon. F. S. Miller: I have taken some. The member for London Centre luckily came in for only the last three minutes—

Interjections.

Hon. F. S. Miller: —and I hope he had a good supper at Winston's. I hope his personal chauffeur, with his round cap—the same one that Vince talks about—was off hours and looked after—

Interjections.

Hon. F. S. Miller: I am just jealous, I walk home.

In any case, Mr. Speaker, I think I have said enough. My voice has run out. I hope my motion will be passed.

Mr. Deputy Speaker: Hon. Mr. Miller has moved government resolution 8, and also has moved an amendment that the words "March

31, 1980" in the motion be deleted and the following substituted therefor: "December 31, 1979."

The question before the House is, shall the amendment carry?

All those in favour will say "aye."

All those opposed will say "nay."

The amendment is carried.

The question before the House now is, shall the resolution, as amended, carry?

Carried.

Resolution, as amended, concurred in.

LOCAL SERVICES BOARDS

Resumption of the adjourned debate on the motion for second reading of Bill 122, An Act to provide for the establishment of Local Services Boards.

Mr. Deputy Speaker: The member for Sudbury East.

Hon. Mr. Bernier: I thought we would hear from a southern Ontario member.

Mr. Martel: Well, if you want, I can sit down and allow my colleague to continue.

Hon. Miss Stephenson: A great idea.

Mr. Martel: Look, Dr. B.S.—that's quite a nickname the press has given you, Dr. B.S. That isn't the road apples that we used to play hockey with that we are talking about.

Mr. Deputy Speaker: Order. The business before the House is Bill 122.

Mr. Martel: Mr. Speaker, I didn't ask her to interject. She volunteered that on her own.

Mr. Speaker, I want to go back, when we discuss this bill, to about July 1977; at that time we were debating a bill creating the Ministry of Northern Affairs. The minister recalls it well, that on that occasion I moved an amendment to that particular bill calling for the introduction of community councils formulated in a fashion very similar to this, in fact almost identical.

I well recall both my friends to the right and my friends across the way in fact opposing that amendment, opposing the whole concept of community councils. I want to tell the minister that we over here, who are progressive and not negative always, couldn't get the government of the day to support the concept. I am glad to see that after a couple of more years of floundering around the minister has seen fit to bring forth this particular piece of legislation.

I have, however, some misgivings. There are a number of things in the bill that appear to be contradictory. I would ask the minister if he could explain those to us before we give second reading to the bill.

At last, if this bill is passed, we are going to have a method of funding the unorganized municipalities, rather meager as that might be. When I look at that and I look at local roads boards, who get two to one, I kind of shudder that we wouldn't have the same formula in place from the beginning.

When one looks at the tax base of most of those unorganized municipalities and how they are going to be able to derive revenue, the amount of money most of them are going to be able to raise is going to be rather small. If we were matching 2:1 as opposed to 1:1, then those unorganized municipalities might be able to afford more than a light standard. But I am afraid with the formula —and I am going to go through the things that bother me with the minister—I am not sure we are going to be able to afford more than a light standard.

Right at the beginning of the bill it says: "The bill empowers the Minister of Northern Affairs upon the recommendations of the inhabitants of a community located in territory without municipal organization, to establish and incorporate a board to exercise some or all of the powers set out in the schedule to the bill."

When I look at the schedule to the bill it talks about such things as "the board may, by bylaw—" It talks about water supplies, fire protection, garbage collection, sewage, street or area lighting and recreation. That looks good except when one starts to recognize the cost inherent in establishing any of those programs. For some of the small unorganized municipalities I represent, the cost would be prohibitive. For example, in a place like Alban, to put sewers and water on their tax base using your one to one grant —possibly the province might proceed to build it on its own—I am not sure where the municipality is going to get the funds to pay for any portion of it. They are that small.

I am going to come back to the monetary thing, but I want to tie it together because of what this bill allows. On page three, section 5, the bill allows for the introduction of a board which will stay in power for one year. Then if one turns to page 10, there is the possibility of dissolution, and that is very possible. So you can have power for one year and at the end of the one year it can terminate.

But it is when we come to the funding that I want the minister to clarify it. Item 23 says: "In preparing the estimates the board shall take into account any surplus from the previous year that will be available in the current year, any operating deficit

from the previous year and any debt owing to the crown payable in the current year."

Getting back to the bill, if one looks at section 23(2) it says:

". . . the board shall take into account any surplus"—the surplus isn't bad, although I can't see any coming—"any operating deficit from the previous year . . ." If I turn over the page and look at section 28 it says, "A board shall not incur any debt except a debt owed to the crown in right of Ontario, the payment of which extends beyond the term of office of the board."

If I interpret this correctly, on page seven it says you can have a debt, and yet on page nine it says it can only be "a debt owed to the crown in right of Ontario." If we look at the second part of 23(2) it says, "any operating deficit from the previous year and any debt owing to the crown payable in the current year."

I understand if the crown in either instance is responsible, you pay the crown. What about the other debt? What debt is the minister talking about? If you read section 28 it says you can't, in fact, "incur any debt, except a debt owed to the crown in right of Ontario . . ." It can only be for a year or during the life of the board.

I say to the minister, if the board is only empowered to remain one year and they're not allowed to carry forward another debt—any debt—then how are the unorganized municipalities going to do anything that appears in the schedule outside of, as I said earlier, street lighting?

There seems to be a real conflict. Possibly the minister can explain it to me. On one hand it says you cannot carry a debt for more than the year the board is in office, and that is only debt owed to the crown in right of Ontario. On the previous page it's talking about any operating deficit from the previous year, which I don't see is covered under the bill.

The second part of that covers the part "owing to the crown." It doesn't clear up the debt that might be incurred and how it could be incurred. Section 28 says the only debt that can be incurred is "a debt owed to the crown in right of Ontario . . ."

The second part of course is a very serious problem, "beyond the term of office of the board." If a debt can't be carried for more than a year then it is reducing the number of things which the local services board is capable of undertaking.

I have a fear about that last clause that talks about dissolution because I know my friend has been involved, as I have, in some of the battles in some of the small organized municipalities. Having come through several of them in the last couple of years, the bitterness which occurs in those small municipalities is something to behold. I know in both instances the province had to get directly involved.

I worry about the simplicity with which dissolution could occur. I'm not sure there shouldn't be a time factor included—something which says there should be no dissolution for the first three or four or five years until the board gets going and starts to operate smoothly in any one of these municipalities. There should be at least a five-year period before dissolution could be considered, because people are going to be frustrated—

[9:45]

Interjection.

Mr. Martel: Well, they will be. I suggest the Treasurer turns to his colleague to his left, the minister responsible for Intergovernmental Affairs. He knows the number of problems we had with respect to the municipality of Ratter and Dunnet and with respect to the municipality of Appleby, Casimir and Jennings, where bitterness is much greater than occurs in a large municipality where not everybody is involved. In a smaller municipality or community everyone is involved and people take sides.

I worry about that and I suggest the minister should too. Before he says no, that he doesn't think there might be a two, three or four-year period where they couldn't decide to dissolve once they got going, he should give it time to develop so that they simply can't say at the first impasse: "To hell with it, we're going to cut the umbilical cord," and thereby throw the baby out with the bathwater. I think we should put that limit in there and say to them: "For three or four years, once you have got going, you are going to have to work out your differences. We will monitor them, but we want you to look at it carefully and give it time to develop." We should do that before one group says, "To heck with it, we're finished."

If we don't do that, it is going to come back to haunt us. I'm not pointing any finger at any group or individual in any of the unorganized municipalities at the present time. I'm just saying that's one of the realities of life and it's one of the things we might consider. I realize it is permissive, but once we got it going I would hope that to overcome some of the problems which will occur—and we all understand they are going to occur at the beginning—we might say: "Once you're in, we think you can't back out the easy way in two, three or four years. We want to see

you work it out with the assistance of the various ministries that might be necessary."

I just caution the minister to consider that aspect—he might not want to answer yes or no tonight—because I think it would do the boards, once they are established, service. They would know they would have to sit down and work it out; they would have to negotiate it. They couldn't get one group of residents who might say, "There are 10 of us and we're opposed to it, because the tax bill is a little higher than we had anticipated."

That's going to be a problem in those new boards. Some people are going to be getting a tax bill.

Hon. Mr. Bernier: They're going to get help from the province.

Mr. Martel: They are going to pay tax, no matter how one cuts it, whether they get money from the province or not.

Hon. Mr. Bernier: You've missed the point of the whole bill.

Mr. Martel: No, I haven't missed the point of the bill. In the final analysis, there is only one person who pays. No matter how it is paid, it still comes from the same taxpayer.

Mr. Kerrio: That's not parliamentary procedure.

Mr. Martel: You can say it isn't. In the final analysis, there is only one taxpayer. We are going to see differences of opinion arise. I would just caution the minister that if he wants to ensure a strong foundation, we should make it such that they have to watch it develop for three or four years. I think in the long run it would do us all a service.

I represent a number of unorganized municipalities. I don't say this frivolously because I have four or five. In fact, at one time I think I had the largest unorganized municipality in terms of population in the province in Broder and Dill where there were 4,000 or 5,000 people.

Hon. Mr. Bernier: I live in one.

Mr. Martel: Has the minister got 5,000 people?

Hon. Mr. Bernier: I said I live in one.

Mr. Martel: He lives in an unorganized community.

Mr. T. P. Reid: He owns the waterworks; he supplies the fertilizer.

Mr. Martel: The minister knows what the problems are like. I represented an area that had over 4,000 people in one unorganized municipality. I know the problems there. I lived in one for 14 years, so I know the problems from that point of view as well.

I would hope we would take a very serious look at the latter point I presented, just to give it a chance to work, because the dissolution could come too easily.

Mr. T. P. Reid: I'm going to be very brief, which should lead to a great sigh of relief and great applause.

I want to commend, not the minister but UCANO East and UCANO West for the work they have put into this bill. Largely this bill is before us because of the work the executives of those two organizations have done over the years. It only took the minister five or six years, but I think, basically, the bill is a good one.

I have some strong reservations about sections 23 and 24. I don't like the discretion the minister has and we all know how this particular minister operates.

Mr. Breithaupt: He's discreet.

Mr. T. P. Reid: But I think, basically, it's a good bill and I'll tell you why, Mr. Speaker. I think it goes back to the fundamentals of democracy and those good old days that perhaps never existed, in which we all think of townhall meetings where the inhabitants got together in one relatively small enclosed space and decided on their priorities and what they wanted to do in their own area.

There are a lot of good things in here. Although I'm concerned about the discretion, I think it's a relatively good bill. There are some problems with it. It would be easy to say this is a good first step, except we had a step about five years ago and it's taken this long for the child to be born. But then the minister himself obviously, by the size of him, was a long time in gestation, so perhaps we can't expect too much more.

Hon. Mr. Bernier: I say good things about the member.

Mr. T. P. Reid: I was premature

I also have a couple of concerns, as did the former speaker, about the schedule of matters that can be dealt with. Obviously this is a first bill—a second time around perhaps, but a much fuller bill. But it is going to require amendments, as the people in these areas learn more of how to operate their own affairs, what their priorities are and the way they want to operate. That's what this Legislature is for, to expand the legislation or if necessary, contract it if it isn't suiting the purpose.

I have a concern about the depth of a problem that has been pointed out already. I'm not sure that this is going to be the best possible solution for some of the unorganized territories or the people who will be operating under local service boards. If we get into such things as recreational facilities,

as such; if we get into fire protection as such, with fire trucks, places to store them and so on, it may be very difficult under some circumstances, particularly if the minister decides he doesn't want to provide the funds for these matters completely, for these local service boards to operate.

There are a lot of people in the unorganized territories in northern Ontario who have been waiting for this bill for a long time. I intend to support it and I hope that now it will get speedy passage so those people who would like some control over their own lives and over their own affairs and who are prepared to accept the responsibility should have that right to do so.

With that I say I will vote in support of the bill and hope it will get a speedy passage through the House.

Mr. Laughren: Mr. Speaker, I recall last spring the minister wrote to the members—I gather in all three parties—and asked them for their views on the bill, I wrote a very brief reply to the minister, a polite reply—they're not all polite—in which I said there were three specific recommendations I would make: One, change the provincial government's support to a two to one ratio—for every dollar the community raises the Ministry of Northern Affairs would match it with $2.

Two, provide a special fund for communal drinking water systems to supplement any programs available under the Ministry of the Environment. I suspect the level of support should be in the neighbourhood of 90 per cent.

Three, establish as a commitment in principle the right of a community to have healthy drinking water, fire protection and health care.

Those were, I thought, three very specific suggestions, none of which any organized municipality in the province would have regarded as exorbitant or outrageous. The minister, in his reply, indicated he appreciated my comments but suggested I not hold my breath. The bill reflects those comments.

What bothers me a great deal about the bill is that there is no statement of principle in the preamble. There is nothing in this legislation that says to the unorganized communities of the north, "We believe, as a government, you have a right to fire protection; you have a right to healthy drinking water; and you have a right to at least some level of health services."

That's not even considered a right by this government for the people in the small communities. Nobody is asking the government for a hospital in a community of 200 people, or 500 people, but there should be a commitment on its part to provide, for example, nurse practitioners in the small communities. As a matter of fact, if the government is really serious about it it would build a medical school in the city of Sudbury and use that as the base from which to supply nurse practitioners all across northern Ontario.

I won't dwell on that because Sudbury is not an unorganized community. But that's the kind of commitment we were looking for in this. There is no commitment at all, and it would not have extracted too much from the government to have included that in the bill—except it would then have had to justify the lack of those services in most unorganized communities across northern Ontario. I guess it was not prepared to do that.

That's why we're going to support the bill, but we have some very grave concerns about it. Quite a number of the communities are unorganized, and the problems they face are numerous.

The condition I'm going to mention is not something I'm raising because Gerry Violette happens to be in the gallery. The whole problem of the water supply in Gogama is an issue I've raised with the minister many times. It really is outrageous that for years he has allowed those people to live with a polluted water supply. There are nitrates in the water supply and we know the potential dangers there. There are chemical pollutants in the water and who knows what the dangers of those are? The minister and his cohorts have done nothing in that community except put in a community tap. I won't go into my fantasies about how the tap should be constructed but when that community eventually gets its communal water supply, despite the obstructions of this minister and others, I hope there is a plaque struck and that it mentions what the community went through in order to get that communal water supply.

Mr. Hodgson: Does the member want his name on the plaque?

Mr. Laughren: No, I do not. I don't want anybody to ever associate me with the grief the people of Gogama have had with their water supply over the years. Never.

I hate to repeat myself, but whenever I come from small communities like Biscotasing, Shining Tree, Foleyet, all those communities that are lacking in the services as

they do, and I drive down to Toronto, I drive down Avenue Road and I come under that bypass right around Davenport I guess it is—

Hon. Mr. Grossman: Dupont.

Mr. Laughren: —Dupont, there are the sides of the underpass in baby blue bathroom tile.

Mr. Hodgson: It's darker blue.

Mr. Laughren: No, it's not, it's a lighter blue than that. I'm going to say that hurts. I come from communities lacking in essential services to a city where they can lay on the ceramic bathroom tile on the walls of their underpasses.

Hon. Mr. Grossman: It's in Margaret's riding in St. George.

[10:00]

Mr. Laughren: Isn't that nice. Isn't that delivering services equally across the province of Ontario? They ought to be ashamed of themselves.

Interjections.

Mr. Laughren: Is that in the riding of St. Andrew-St. Patrick?

Hon. Mr. Grossman: St. George riding.

Interjections.

Mr. Acting Speaker: Order.

Mr. Hodgson: How about the $10 licence plates? You never mentioned that.

Mr. Martel: We'll talk about the gas prices.

Mr. Laughren: As a matter of fact, I'm glad the member mentioned that. I was up in the northern part of my riding about two weeks ago. I spent the whole weekend there; it was a delightful weekend. When I filled my car with gasoline it cost me $24.

An hon. member: You've only got a Volkswagen.

Mr. Laughren: No, I drive a Plymouth.

Hon. Mr. Grossman: You're driving that Mercedes, are you?

Mr. Acting Speaker: Order, please. Would the honourable member please disregard the interjections?

Mr. Laughren: Mr. Speaker, could I talk to you? You have more sensitivity. The point is the $10 licence fee, while welcome, as is anything this government does for northern Ontario, little as it is, doesn't start to compensate for the difference in gasoline price they pay in those unorganized communities.

Mr. Martel: They pay $1.20 a gallon.

Mr. Laughren: I don't have to reiterate to the Minister of Northern Affairs the fact the people in those communities—he lives in an unorganized community, for heaven's sake—pay the same sales tax, the same OHIP premiums and the same gasoline tax as people in downtown Toronto who enjoy the baby blue bathroom tiles on the walls of their underpasses.

Mr. Kerrio: A chicken in every pot.

Mr. Laughren: Yes, that's right. When the member for Sudbury (Mr. Germa) was speaking on this bill a week or so ago, I thought he described the scene beautifully. The Minister of Northern Affairs would come lurching out of the bush with his hard hat and his fire pack on, with the siren blowing to announce Leo the Great was in town and should be presented with something as a token of esteem.

I was in Gogama when they got their fire truck. The minister couldn't be there, but there was the member for Algoma-Manitoulin (Mr. Lane), parliamentary assistant to the minister. It was like it was out of a story book. The fire truck came into town with the siren going and there was John sitting there. He didn't have his hat at that point. He got his hat later.

Hon. Mr. Bernier: On a point of order, I think the record should show that when that fire truck was driven into Gogama, the local member was very close to my parliamentary assistant. When the cameras were clicking and the pictures were being taken, he was there to take all the glory he could. The record should show that.

Mr. Breithaupt: It was either give him a bit more hose or stand closer to the fire.

Mr. Acting Speaker: The honourable member may continue.

Mr. Laughren: Somebody has to keep an eye on them when they're in those communities.

Interjections.

Mr. Kerrio: Leo, would you send him a box of blue tiles?

Mr. Laughren: I'd take it. I would say the inconsistencies of the government when they deal with the northern communities is awe-inspiring indeed.

They talk about helping a community develop with the local services board and so forth. About two or three years ago the same community of Gogama had an opportunity to grow and to have a whole new development of I'd say about 25 or 30 trailers for people who worked in a bush operation called Morin to live in. This government refused permission for those trailers to be located in Gogama where existing services were already

located. In other words, there was an infrastructure there with tourism and stores and so forth. Where did they put them? They put them right smack dab in the middle of the bush—literally in the middle of the bush. They created a new community where before there was none, when they had an opportunity to build on to an existing community.

Those are the kinds of inconsistencies that make no sense whatsoever. Mr. Speaker, you and I know Emerson said, "Consistency is the hobgoblin of small minds." Nevertheless, when you're talking about a community like that, which really needed that kind of impetus to the local economy, they really should have thought about it more seriously than they did. That should have happened.

The other inconsistency is that the minister sits there smiling as though he were the great benefactor for the small communities in the north. Who was it that closed out the natural resources bases in those small communities? Who was it?

Mr. Martel: Leo.

Mr. Laughren: It was when he was the Minister of National Resources; that's when it all began. He's really proud of that, isn't he? He has done a lot for the small communities by pulling out the natural resources bases there.

Hon. Mr. Bernier: Too much government.

Mr. Laughren: Too much government! He didn't cut down on government at all; he just moved them to bigger communities. He didn't cut down on it at all. Then he sits there saying he is doing things for the small communities. It is a sham and a delusion—a snare and a delusion, as they say.

The other thing that bothers me is the whole question of the drinking-water supplies. The funding in this bill simply is not adequate to allow communities to put in a communal water supply, and the minister is going to have to deal with that.

I know there is funding for individual wells. There is a form of funding, if you can get it, but people are not getting it. Those who apply for it are not all getting it. That is the kind of thing the minister should look at.

I still don't believe he is dealing seriously with the whole question of drinking water supplies for communities. That is my big, big problem with this bill. It is not the kind of bill we are going to oppose, because it is permissive legislation; the unorganized communities don't have to plug into it, but if they don't they are left as they were before, with virtually no access at all to public funds.

I can see the minister then saying, "If you want the money, form a local services board." That is exactly what he will say. I can hear him now. The minister is going to have to show his goodwill in a way he hasn't done to date and say to those communities, "We are serious about providing an improved level of services to you; you need only apply and we will give it serious consideration."

I really urge him to think about a different way of providing water services, and occasionally in the larger ones perhaps even a communal sewage disposal service to those communities, because this bill is inadequate in that respect.

Mr. Deputy Speaker: Are there any other members wishing to participate?

Mr. Swart: Mr. Speaker—

Mr. Deputy Speaker: I think the member for Welland-Thorold did participate.

Mr. Swart: In fact, I did not. I moved the adjournment of the debate at the last session. I did not actually participate in the debate at all. I didn't want to interfere in any way with the northern members who take part in this but who perhaps would let me now take part.

I have to tell you, Mr. Speaker, that as a mere southerner, I hesitated to rise to speak in this debate, and I think I am perhaps the first person from the south to take part in this debate. But I am bold enough to do it, partly because in the gallery we have Kathy Davis, who actually came from down my way in the Niagara Peninsula; therefore, I feel some association with the north in that respect.

I want to put a few views as a southerner and compare the kinds of financial assistance and the kind of municipality here being created by the local services board.

The first thing I want to say to the minister, and perhaps to the Minister of Intergovernmental Affairs (Mr. Wells), is that although I realize this is an entirely different kind of structure from that of the municipalities in the south, this bill puts even less faith in the municipal people in the north than the Municipal Act does for the municipalities in the south.

Although I have no doubt there was a great deal of consultation and the people in the north generally support many of the provisions of this bill, the fact that the minister only permits a one-year term of office when it is compulsory to have a two-year term of office in the south somehow or other gives a little less credibility to the operations of the people in the north.

The fact too that the minister permits no remuneration to be paid to the members of the services boards is contradictory to the principles we have established in the south. For years we fought and battled for each municipality to have the power to determine on its own how much its remuneration should be. It is all set down in a very hard and fast way.

Mr. T. P. Reid: That's a southerner talking. He is embarrassing his colleagues.

Mr. Swart: Although there probably is a feeling among the local services boards and the people with whom the minister consulted in the north that they don't particularly want any remuneration, the fact that it is not permitted or that they can even consider it for perhaps the chairman or members of a services board who may be doing an exceptional job takes away some autonomy and some rights which they should have.

I am a little bit puzzled by the need for section 18 where the chairman has the power to expel or exclude from any meeting any person, including a board member, for improper conduct at the meeting. In the municipal organizations in southern Ontario, in the Municipal Act we don't have any such clause. There is the right, of course, at any time to have people ejected under certain circumstances, but to put it specially in the bill seems to me to be somewhat unnecessary.

The fact that a local board may incur no debt which may be repayable in a subsequent year really restricts the operation of the services boards in the many fields in which they could operate much more efficiently, if they were given the power to do this.

I realize that the services boards are not municipalities under the act, but I wonder if we could have the assurance, however, from the Minister of Northern Affairs or the Minister of Intergovernmental Affairs that the property tax credit will apply, even though they are not municipalities in exactly the same way, on their payments there as it applies to people in the south, so there will be no loss in that regard.

I wonder too about the power we should have to create perhaps areas within the services board area rather than having two. It seems to me there may be certain services like water, which would be restricted to only part of the services board area where perhaps they should have the power to pass bylaws to create those services, and that should be incorporated in the act. I know the minister has power to do these things, if a decision is made. Perhaps there should be certain sections of the Municipal Act which do apply to the services boards.

I would like to ask the minister to explain how the schedule of the various services which they can perform can be carried out without their having the right to borrow money and incur long-term debts. If I could have the attention of the minister, might I ask him if it is his intention that the crown will be providing long-term funding? The bill does provide that they may incur a debt owed to the crown. Is he intending to provide the capital for their services which will certainly require some long-term funding?

If we are looking at this bill, we are talking about water supply and perhaps fire protection and garbage collection but certainly sewerage, street or area lighting and even recreation. If they are going to provide these facilities to these people, all of them or most of them require some long-term funding. Is the minister going to provide the capital for this?

[10:15]

It's only a very minor thing but I am also a little concerned with section 33 where it says, "The minister may by order prescribe a French language version of any form that is prescribed by this act and provide for its use." That seems to be a sort of appendage. Certainly I would prefer to have the section worded to the effect the minister may prescribe that forms be in either French or English or in both so we put them exactly on the same footing rather than French just being an appendage; perhaps he would consider that change. The end result might be the same but the French and English would be on the same footing.

The final comment I want to make, Mr. Speaker, is on the financial assistance which is provided under this act, which as has been stated by many members from the north, may be very inadequate and in fact substantially less than that provided to comparable municipalities in southern Ontario. I think we have to recognize that the per capita cost of many of these services obviously is going to be greater in these communities than it is in any of the small communities in the south. There is no question about that. The per capita cost is going to be substantially higher.

We also recognize that there are going to be no regions to help share the cost of these services. Sure, one may say that in the regions they have to pay the regional tax and therefore they contribute towards them, but, in fact in a community like Virgil, for instance and the member for Niagara Falls (Mr. Kerrio) will know this, where they have sewers installed—

Mr. T. P. Reid: Really interesting, for northern Ontario.

Mr. Swart: —at least a third was paid by the region, another third was paid by the province and the net cost to the community was only one third for the installation of those sewers.

Mr. Breithaupt: Who paid for the region?

Mr. Swart: They did, but proportionately. In that small community what they paid in sewer charges for the whole region was only a fraction of what they would have had to pay if they had paid the whole cost themselves. I am familiar with this and I assure the member that that is right. It was only a very small fraction of what they would have had to pay. As you would expect, Mr. Speaker, I am not here advocating regional government.

Mr. Ashe: Sure you are, always have been.

Mr. Swart: I am simply pointing out that a small community within a regional government may find themselves in a much better position to get a service which they couldn't afford otherwise. In the north, this will not be the case and they will in that respect be at a disadvantage to some of the smaller communities in the south. I am not sure that the northern municipalities will be eligible—

Mr. T. P. Reid: On a point of order, Mr. Speaker.

Mr. Deputy Speaker: Your point of order?

Mr. T. P. Reid: My point of order is that, among other things, the member doesn't know what he's talking about. He is also talking about southern Ontario. The bill has to do with local services boards in northern Ontario, not with regional government in southern Ontario and he's away off the subject.

Mr. Martel: What's his point of order, Mr. Speaker?

Mr. Deputy Speaker: The honourable member will continue.

Mr. Swart: I abide by your ruling, Mr. Speaker, with regard to the point of order. I would suggest that when we are saying that the net cost to the people of providing the services to these small northern Ontario communities may be much greater than they would be in similar communities in southern Ontario, that comment is perfectly in order and arguments in support of that comment certainly are in order.

The small municipalities in the north may not be eligible for the up-front grants, which go up to a maximum of 75 per cent, if they are going to have a services board to provide the services in that area. In fact, some of the boards there may be taking over services which now are funded on a more generous basis than will be the case when the services boards are in operation.

So I say to you, Mr. Speaker, that the funding proposal is not adequate for the northern communities and not adequate in comparison to that for communities in the southern part of this province.

I would urge the minister to give further consideration to some form of financial assistance to these communities which will enable them to provide the same kind of services that similar communities have in southern Ontario.

Mr. Deputy Speaker: Are there any other members wishing to participate in the debate? If not, the honourable minister.

Hon. Mr. Bernier: Thank you, Mr. Speaker.

May I first express my appreciation to the members who have contributed very extensively to what I think is a very important debate on the unorganized communities in northern Ontario. I think the contribution from all sides of the House has been extremely helpful.

There are some members who have missed the thrust of the bill, as the honourable member who has just finished speaking has. I am sure he is aware what we are proposing here is not a form of municipal government. I want to make that very clear. It is not a township, it is not a village, it is not a hamlet, as we know them in southern Ontario. It is a special piece of legislation to provide a very simple structure, something the unorganized communities of northern Ontario have devised themselves, with the co-operation and the assistance of the UCANO groups from the east and the west.

Bill 102, two or three years, and not five years ago, as the member for Rainy River has suggested—

Mr. T. P. Reid: It just seems that long.

Hon. Mr. Bernier: Not five years ago, three or four years ago maybe, when that bill—

Interjections.

Hon. Mr. Bernier: It was hailed then as the structure we should have for the unorganized areas; there was a feeling in southern Ontario that bill was something the unorganized communities in northern Ontario wanted. We members from northern Ontario know the unorganized communities wanted something, but they didn't want a formal structure. They turned their backs on Bill 102 very strongly, from North Bay clean to the Manitoba border.

That gave rise to UCANO East and UCANO West and they are sitting in the gallery this evening. They were here last

Tuesday. They have come as far as 1,200 miles. They are sitting in the Speaker's gallery. They have shown an interest in this bill. They have walked this bill right across northern Ontario themselves. They came down last Tuesday; spent their own money. They came 1,200 miles, were here for a couple of days and listened to the debates in the hope that this Legislature would give speedy approval to this desired piece of legislation.

Mr. Laughren: Are you going to answer the questions that were put to you?

Hon. Mr. Bernier: Yes, I will.

Mr. Laughren: You are filibustering.

Hon. Mr. Bernier: No, I'm not. We will get to them. I will answer every one of them. I intend to take as much time as opposition members did to criticize the bill, because I think it is important that all those criticisms be answered.

I want to express my appreciation to both sides of the House for in essence approving what I hope is a good bill. As the member for Rainy River said, it is a good bill. Maybe it was a little long in coming, I will agree, but when you believe in participatory democracy—

Interjections.

Hon. Mr. Bernier: —when you believe that the proof is in the pudding—

Mr. T. P. Reid: You have five minutes, Leo.

Hon. Mr. Bernier: —and the pudding is right in this bill. There is the bill. There is the result right there; Bill 122, the result of a good two years of hard work, not only by UCANO East and UCANO West but by the staff and the Ministry of Northern Affairs. They went around to 30-odd communities and talked to representatives of each one of them. They heard and listened and then applied into a piece of legislation what those people actually wanted, item by item.

I make no bones about it, I give the member for Sudbury East (Mr. Martel) some credit; not totally, but he raised the issue when the bill that brought the Ministry of Northern Affairs into being was under debate. He made some very constructive comments. We looked at those comments, but there were many points that he missed.

Mr. Foulds: He's good but not perfect.

Mr. Martel: Or you wouldn't be minister.

Mr. Deputy Speaker: Order.

Hon. Mr. Bernier: Just a little bit of credit. I think one of the most important things was the funding aspect that he didn't touch on at that particular time, and the permissiveness of a piece of legislation.

It's unusual that in this Legislature, as the member for Port Arthur (Mr. Foulds) would point out, that we would have a piece of legislation that would allow the local people to make their decisions within a framework which they think they want to operate under; they can opt in and opt out. That is the very important segment of the bill; it's very important.

As I said earlier it is not a form of municipal government. One doesn't have to be worried about regional government taking over, sharing the costs, providing all those basic services to which the member for— for where?

Mr. Foulds: Welland-Thorold.

Hon. Mr. Bernier: To which the member for Welland-Thorold (Mr. Swart) referred. I think he missed the point totally, because there is no fear or danger, and there never will be, of regional government in the unorganized areas of Northern Ontario. There is no question about that in my mind and I know that there are no questions in the minds of the northern members from all political parties of this House; there is just no question. I say to the member with all respect, he missed the point totally.

On another point, I want to say to him there is no provincial tax rebate on those taxes because they are not taxes. I want to make that point very clear. They are service fees; a fee for service that the local services board will provide to a given area, within a boundary that will be established by the local people. They will establish the area that they will provide that service in; they will set the charge, a fee for service, be it for street lighting, be it for garbage collection or be it for sewer and water service.

I intend to introduce an amendment following this very healthy debate which will allow those local services boards to set different rates within their boundaries. There may very well be, as the member for Algoma-(Mr. Wildman) pointed out, a specific area within their internal boundaries where they want to assess for street lighting here and maybe not over there.

We will allow them to set different rates within their various boundaries and I will be introducing that particular amendment.

Mr. Martel: We'll call it the Wildman amendment.

Hon. Mr. Bernier: The Wildman, right; it's a bit wild but we will accept it.

I think, Mr. Speaker, what we have to—

Interjections.

Mr. Deputy Speaker: Order.

Hon. Mr. Bernier: I think what we have to accept is that this particular bill is a simple bill, it's not elaborate. The reading is very simple, straightforward and easy to understand. That was one of the faults of Bill 102. I think everyone will agree with that.

This particular bill gives the unorganized communities the opportunity for representation and to focus on what they need to improve the quality life within their own boundaries. Believe me, I can speak from authority because I live in an unorganized area. Members opposite represent them, I live there; it's a big difference. I know the whole bag. I know the issues from A to Z. There's no question about that. It gives accountability. Most important, it gives accountability to those people who will be obtaining the services and, of course, paying for them. It gives accountability in a fairly formal way.

Mr. Martel: They'll pay all right—a tax.

Hon. Mr. Bernier: It is not a tax; it's a fee for service.

Above all, of course, it will give a unified financial base that is evenly distributed across the entire boundaries of that particular local services board area, where each and every one of them will share equally in the services they obtain.

[10:30]

My friend and I know, living in unorganized areas—

Mr. Deputy Speaker: Does the honourable minister have many more comments? It is now 10:30 p.m.

Mr. Nixon: Let's adjourn this and do it again next Tuesday.

Hon. Mr. Bernier: Yes, I will be back next Tuesday, Mr. Speaker..

On motion by Hon. Mr. Bernier, the debate was adjourned.

Mr. Deputy Speaker: Pursuant to standing order 28, the member for Dovercourt has given notice of his dissatisfaction with the answer given to his question by the Solicitor General (Mr. McMurtry).

Mr. Havrot: Mama mia.

Mr. Deputy Speaker: The member for Dovercourt has up to five minutes.

Mr. Havrot: You can eat an awful lot of pizza in five minutes if you're good at it.

COMPLAINTS AGAINST POLICE

Mr. Lupusella: Mr. Speaker, I welcome this opportunity to raise an important issue in relation to the question I asked today during question period. It is really a disgrace for a minister of the crown not to be here to listen to the comments I am going to make, because I believe the position he has taken today doesn't really reflect the particular concern of the public as a whole in relation to the activities carried on by the police forces in Ontario and in particular in Metropolitan Toronto.

Mr. Havrot: Mama mia.

Mr. Lupusella: I raised the issue of the Carter report, which cries out for immediate response because it reconfirms the findings of Morand, Maloney and Pitman.

Mr. Havrot: Maloney?

Mr. Lupusella: But, more importantly, it shows that real problems do exist in terms of civilian complaints against the police and the problem of racism in Toronto.

Mr. Havrot: Capicollo.

Mr. Lupusella: Cardinal Carter makes a valuable contribution to our understanding of the problem and makes positive recommendations on which the government can and should act immediately.

An hon. member: Is this the late show?

Mr. Havrot: Absolutely not. It's the wop show.

Mr. Lupusella: It is imperative that the Solicitor General commit himself to immediate action. By his continued refusal to take action, he allows this very serious problem to become worse.

Cardinal Carter made it clear that he was reporting nothing particularly new in this report. He was essentially supporting what had already been recommended to the government. On page five, he says: "I must confess to a certain sense of déjà vu in this operation. The field has been covered with extraordinary thoroughness by three major reports which have been prepared since 1974. I refer to the royal commission under Mr. Justice Morand and the outstandingly full and cogent reports of Mr. Arthur Maloney and Mr. Walter Pitman. The existence and efficiency of these reports tend to emphasize the ad hoc nature of my assignment."

Mr. Havrot: Thatsa my boy.

Mr. Lupusella: The Solicitor General should also have a sense of déjà vu and move quickly to respond.

Mr. Havrot: Capicollo.

Mr. Lupusella: Cardinal Carter states unequivocally that racism is a serious problem in Metropolitan Toronto: "That racism exists in Toronto is beyond a doubt. This opinion is based on my observations and the intensive

education which I have undergone in the past two months."

There are many causes of racism. However, there are also many positive steps which can be taken and for which the Solicitor General is responsible, namely (1) better training for police officers, (2) recruitment of police force members from visible minorities and (3) proper discipline of the few officers who are overtly racist.

Why has the Solicitor General again refused to show leadership in this area? Cardinal Carter underlines in compelling terms that the delay in establishing a means for dealing with police complaints has reached the point where public trust in the police is undermined.

On page 16 of his report Cardinal Carter states: "Perhaps nothing in all of my research was more universal than a sense of frustration about real or fancied injustice or harassment at the hands of police officers. I listened to one horror story after another in which the recurrent theme was always that there was no mechanism by which a complaint could be properly placed and a fair hearing ensured. Indeed, it seemed to be a fairly general opinion that not only was there no possibility of seeking recourse in this matter, but it was even dangerous to do so. Retaliation by police officers or the fear of such retaliation is widespread."

The Solicitor General's refusal to act with due speed in this matter does nothing to alleviate the situation. He's playing with fire. The Solicitor General must take the cardinal's advice.

The answer given to my question this afternoon showed that the Solicitor General—

Mr. Deputy Speaker: The honourable member's time has expired.

Mr. Lupusella: I want to conclude. The Solicitor General attaches no sense of urgency to this matter. His repetition of old arguments contributes nothing to the resolution of the most serious problem of policing in Ontario today.

Mr. Havrot: Atsa nice. Good for Benito Mussolini.

Mr. Deputy Speaker: Order. Does any minister wish to reply on behalf of the Solicitor General?

Mr. Havrot: It's a waste of time.

Hon. Mr. Wells: Mr. Speaker, I would like to offer a few comments on behalf of my colleague, the Solicitor General. I think my friend is completely and unequivocally unfair in his criticism of the Solicitor General.

First let me say my colleague, the Solicitor General, and I view the report of Cardinal Carter as an excellent report. I think it's balanced—

Mr. Foulds: Why didn't he say that this afternoon?

Mr. Lupusella: Instead of the hypocritical position which he gave this afternoon during question period.

Hon. Mr. Wells: —that it presents in an excellent manner and in a very balanced manner something which my friends on the other side of the House rarely do when talking about these particular matters—

Mr. Havrot: If you don't like it, go back.

Hon. Mr. Wells: —it presents in a balanced manner the situation and some of the remedies needed in Metropolitan Toronto. I commend the cardinal for the work he's done, for the manner in which he approached this particular task, and for the great presence of authority he has brought to it. I think it is going to help to bring some light at the end of the tunnel, as I heard someone in this House say tonight, in this particular matter.

Mr. Lupusella: The government is not interested.

Hon. Mr. Wells: Before this report was issued my colleague, the Solicitor General, indicated he would be bringing in legislation concerning the matter of police complaints in Metropoltan Toronto durng this session of the Legislature and before we prorogue in December. I think he was very clear on that. He made that statement before this report was issued and he still stands by that statement. I read his comments again this afternoon, and I'm sure you will be seeing legislation to this effect before we prorogue for the Christmas break, Mr. Speaker.

Mr. Foulds: Why didn't he say that this afternoon?

Hon. Mr. Wells: I think the comments of the member are not well taken. I hope he will be here to vote enthusiastically for what my colleague will be introducing very shortly.

Interjections.

Mr. Warner: Let's see what there is.

Point of order: I wonder if I could draw your attention to rule 28(b) and ask whether it would be your understanding, from the section which says—

Mr. Havrot: You guys go back home and find out what it's all about and see whether you get democracy. You don't know what democracy is.

An hon. member: Why don't you tell me then?

Mr. Warner: May I proceed, Mr. Speaker?

Mr. Deputy Speaker: Order.

Mr. Warner: It's the animated rock, over there, who is causing problems.

Interjections.

Mr. Warner: It's the section which reads that five minutes are to be allowed to—

Mr. Lupusella: On a point of order, Mr. Speaker.

Mr. Deputy Speaker: Order. The member for Scarborough-Ellesmere was on a point of order.

Mr. Havrot: What point of order?

Mr. Deputy Speaker: The member for Scarborough-Ellesmere on a point of order.

Mr. Warner: Yes. Rule 28(b) mentions that the matter in question may be debated for not more than 10 minutes, five minutes to be allowed to the member raising the matter and five minutes to the minister or to his parliamentary assistant to reply if he so wishes. Would it be your understanding that the intent of that rule is that it is to be the minister to whom the question was first raised in the question period and not some other minister as designated?

Mr. Foulds: The parliamentary assistant was here.

Hon. Mr. Wells: On the point of order, Mr. Speaker, the parliamentary assistant who is here is the parliamentary assistant to the Attorney General and not the Solicitor General.

Mr. Breithaupt: Mr. Speaker, speaking to the point of order, I can only presume that since the minister did not choose to be present and reply, and since his parliamentary assistant did not choose to be present and reply, we should be thankful for what we have, which is at least a gratuitous intervention by the government House leader.

Mr. Lupusella: On a point of personal privilege, Mr. Speaker.

Mr. Deputy Speaker: Order. Is it on the same point of order?

Mr. Lupusella: No.

Mr. Deputy Speaker: In reply to the honourable member's point of order, I looked carefully at the standing order and appreciate that it does say, "minister or parliamentary assistant." However, looking at the Executive Council Act, I notice that it does state that it is possible to transfer the duties of one member of the executive council to another. Under that act I have taken the liberty of asking if another minister would care to reply.

Mr. McClellan: On a point of privilege, Mr. Speaker, throughout the contribution of my colleague, the member for Dovercourt, we have been subjected to—

Mr. Havrot: Oh, you poor baby.

Mr. McClellan: —interjections of a totally objectionable and racist nature by the member for Timiskaming.

Mr. Havrot: Racist, my foot; the member doesn't know what racist means, you idiot.

Mr. McClellan: I want to ask you, Mr. Speaker, if you will obtain a copy of the Hansard transcription of the interjections—

Mr. Havrot: It won't be recorded anyway. There won't be any.

Mr. McClellan: —during the contribution from the member for Dovercourt and if you would be so kind as to examine the transcript—

Mr. Havrot: Oh, the member is a bleeding heart.

Mr. McClellan: —and make a determination—

Mr. Lupusella: The member for Timiskaming should be ashamed of himself.

Mr. Havrot: The whole bunch of you are phoneys.

Mr. McClellan: —as to whether there were violations of privilege on the part of the member for Timiskaming.

Mr. Havrot: You can't stand the truth, can you?

Mr. Warner: You're objectionable even when you're sober.

Mr. Deputy Speaker: Order.

Mr. Warner: Throw him out.

Mr. McClellan: What I cannot stand is comments against my colleague such as, "Why don't you go back where you came from?"

Mr. Havrot: Sure, I would too if I had made those remarks.

Mr. McClellan: What I can't stand is swearing in the Italian language in this Legislature.

Mr. Havrot: I happen to be born in Europe too.

Mr. McClellan: What I can't stand from the member for Timiskaming—

Mr. Havrot: Make it loud.

Mr. McClellan: —are racist, slurry interjections.

Mr. Havrot: Oh, oh.

Mr. McClellan: I don't have to put up with them and neither do my colleagues.

Mr. Havrot: I don't have to put up with you either, and your nonsense.

Mr. Lupusella: On the same point of privilege. I am really offended by the remarks which were raised by the member for Timiskaming.

Mr. Havrot: Yes, I'm sure you're crying.

Mr. Lupusella: I would like to draw to your attention, Mr. Speaker, first of all that he should give me an apology.

Second, I am urging him to read the answers of today's question period in reply to the statement which was delivered by the Solicitor General. During my remarks, the reason I felt in some way compelled to raise this particular issue is the Solicitor General—

Mr. Deputy Speaker: Order. I think the honourable member is extending his comments on the point of privilege which we were discussing.

[10:45]

Mr. Lupusella: I'm going to complete my remarks. That's what the Solicitor General didn't understand today. I raised the particular issue that he is not particularly concerned about this important issue. He agreed—and I'm just quoting from his remarks—at the request of the mayors of Metropolitan Toronto and the Metropolitan Toronto police commission to introduce legislation.

Mr. Deputy Speaker: Order.

Mr. Lupusella: He didn't feel compelled to act upon—

Mr. Deputy Speaker: Order, would the honourable member take his seat?

Mr. Lupusella: —the problems which are affecting people in Metropolitan Toronto.

Mr. Deputy Speaker: On the point of privilege raised by the member for Bellwoods, I will undertake to look at what was said. I did not hear what was said.

Mr. Grande: Maybe you could start by getting him to resign.

Mr. Havrot: You'd love that, wouldn't you?

Mr. Deputy Speaker: Order. The member for Downsview has given notice of his dissatisfaction with the answer given by the Premier (Mr. Davis) to his question. The member has up to five minutes.

DE HAVILLAND AIRCRAFT COMPANY

Mr. di Santo: The Premier informed me that he could not be present tonight because he's in Orillia and I thank him for giving me advance notice.

The question I asked the Premier and for which I filed dissatisfaction is related to de Havilland. As you know, Mr. Speaker, we have been raising this question repeatedly in this House because there is a serious concern on this side of the House among New Democrats because the federal government has announced that de Havilland will be one of the companies which will be privatized. We think if that happens it will be against the interests of the province of Ontario and the workers of de Havilland.

In his remarks in answering our questions, the Premier said he will make sure the company remains in Ontario, but he also said on October 26 that he doesn't know by which means and how the company will remain in the province. When I asked the Premier if he thought that this provincial government should make any presentation to the federal government to ensure that de Havilland remains in the province of Ontario, the Premier didn't know how to answer.

It's that lack of commitment that really worries us. We know that de Havilland has gone through the same process in the last several years. In 1974, the federal government was forced to buy de Havilland from the English owners, Hawker Siddeley, because that company was unable to keep the plant in Downsview viable for Canada and the economy of Ontario. Now the federal government is doing that again. It has already decided to sell the company back to the private sector. We think that's a mistake and that's disgraceful. It is not, as the Premier said on October 18, because we are wedded to the concept that only government can do things, nor is that, as he said, we are so short-sighted we have no understanding of the political problems inherent in that sort of approach.

It's quite the opposite. We are not here supporting de Havilland as a public company because it is a public company. We are supporting de Havilland in its present condition because we know that the aerospace industry around the world, except in the United States, is government-owned or government-supported—in England, West Germany, Italy and all over. Only in the United States are there big companies. There is no way that de Havilland can compete on the world market as a private company.

Also, we think the financial commitment requested at this point can come only through companies who are either foreign-owned or, as it has been suggested, by interests which reside outside the province. One of the names which has been mentioned is the heritage fund in Alberta.

The Premier of this province doesn't understand if that happened it is very likely the

company can move outside the province. The aerospace industry does not have to be located close to a market like other manufacturing industries—like the automobile industry for example. If that happens, we are going to lose a very viable industry in the manufacturing sector in this province—an industry which uses Canadian technology, which exports 80 per cent of its product and which is a leader in developing STOL aircraft.

We think a commitment from this province is necessary and we regret this government doesn't want to make that commitment.

Mr. Havrot: Mr. Speaker, on a point of personal privilege, I have just been accused by the member for Bellwoods that I was a racist. That is not true. I was born in Europe and have faced many racist attacks.

If any of the members for Oakwood or Bellwoods or Dovercourt felt they have been offended by my casual remarks over the speakers who were speaking, I wish to apologize and I will withdraw. I am man enough to admit that, because I have lived with this all my life.

Thank you very much.

Mr. Breithaupt: On the point of privilege to which the member for Timiskaming has addressed himself, on behalf of our party I welcome his comment. The reference that was made was a most unfortunate one and I appreciate that he has reconsidered and dealt with the matter promptly this evening.

An hon. member: You are not alone, Havrot.

Interjections.

The House adjourned at 10:55 p.m.

CONTENTS

Tuesday, October 30, 1979

Extension of interim supply, Mr. F. S. Miller, concurred in 4011

Local Services Boards Act, Mr. Bernier, on second reading 4026

Debate re answer to oral question re complaints against police, Mr. Lupusella, Mr. Wells 4035

Re de Havilland Aircraft Company, Mr. di Santo 4038

Adjournment 4039

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)
Bolan, M. (Nipissing L)
Breithaupt, J. R. (Kitchener L)
di Santo, O. (Downsview NDP)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J.; Acting Speaker (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Foulds, J. F. (Port Arthur NDP)
Grande, A. (Oakwood NDP)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Havrot, E. (Timiskaming PC)
Hennessy, M. (Fort William PC)
Hodgson, W. (York North PC)
Isaacs, C. (Wentworth NDP)
Johnson, J. (Wellington-Dufferin-Peel PC)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Lawlor, P. D. (Lakeshore NDP)
Lupusella, A. (Dovercourt NDP)
MacDonald, D. C. (York South NDP)
Mackenzie, R. (Hamilton East NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Peterson, D. (London Centre L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Ruston, R. F. (Essex North L)
Samis, G.; Acting Speaker (Cornwall NDP)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Sterling, N. W. (Carleton-Grenville PC)
Swart, M. (Welland-Thorold NDP)
Warner, D. (Scarborough-Ellesmere NDP)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)



No. 97

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, November 1, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

THURSDAY, NOVEMBER 1, 1979

The House met at 2 p.m.

Prayers.

REMARKS OF MEMBER FOR TIMISKAMING

Mr. Havrot: Mr. Speaker, as you are aware, on Tuesday night of this week I made some very unfortunate and very objectionable comments in this Legislature. I apologized to this House on Tuesday night and I have since offered my abject apology to the Premier (Mr. Davis) and the two members of the New Democratic Party.

As every member of this House is aware, we tend on occasion to get a bit carried away from time to time in the cut and thrust of debate. However, I recognize that there is absolutely no excuse for the type of comment that I made on Tuesday night, and today I want to apologize once more to the individuals involved and to the House in general.

I recognize that my comments have embarrassed my Premier, my party and my colleagues on both sides of this House. I also recognize that some members of the public, specifically those of Italian origin, are especially offended by what I said, and to them I publicly retract any and all comments that they find offensive.

As I said on Tuesday night, I too came to this province as an immigrant and I too have faced over the years certain embarrassments and innuendoes. I admit to this House that while that fact perhaps led me to believe that I would have licence with respect to the odd discriminatory heckle, it should also have reminded me of just how hurtful and harmful such comments can be.

I know that this situation is especially embarrassing to my Premier, who has been so outspoken against racism and discrimination. Each and every member of this House has significant cause to be upset by my conduct. I have apologized as profusely as I can and I urge you, Mr. Speaker, and other members, to accept my apologies and my assurance that under no circumstances will I indulge in this type of misconduct again.

Thank you, Mr. Speaker.

Mr. McClellan: Mr. Speaker, on Tuesday night I raised a point of privilege with the Deputy Speaker and asked him to review Hansard to determine whether the remarks of the member for Timiskaming had violated the privileges of members of this House. That has been done, and Hansard shows the full enormity of the violations of privilege by the member for Timiskaming.

I am obliged, distasteful as it is, to report those to the House inasmuch as the official Hansard has not been printed but I have been given a copy of the Hansard which went to the printers. It is important for the argument that I am making to you, sir, that the House be aware of exactly what was said.

Before the member for Dovercourt (Mr. Lupusella) rose to his feet:

"Mr. Havrot: Mama mia."

After the Deputy Speaker said "The member for Dovercourt has up to five minutes.

"Mr. Havrot: You can eat an awful lot of pizza in five minutes if you're good at it."

During the member for Dovercourt's speech:

"Mr. Havrot: Mama mia.

"Mr. Havrot: Capicollo."

In response to the interjection of an honourable member: "Is this the late show?

"Mr. Havrot: Absolutely not. It's the Wop show.

"Mr. Havrot: Thatsa my boy.

"Mr. Havrot: Capicollo.

"Mr. Havrot: Atsa nice. Good for Benito Mussolini."

And, Mr. Speaker, this is the ultimate obscenity that can be hurled against a Canadian citizen who was born in another country:

"Mr. Havrot: If you don't like it, go back."

The nature of the incident on Tuesday night was important. It was not an isolated incident. It was not a single epithet hurled in a moment of careless anger. If it was, a personal apology would be sufficient to put an end to the matter forever. But that was not the nature of the incident Tuesday night.

It is clear from Hansard that it was a sustained barrage of racial taunts and racial invectives which began before the member for Dovercourt rose to his feet, continued throughout the entirety of his speech, and indeed continued until the House adjourned some 25 minutes after the adjournment debate began.

I am prepared to accept, on a personal level, the apology of the member for Timiskaming. But that does not address the enormity of what happened on Tuesday night. It is not sufficient that an incident of that nature be passed over simply with an apology without the appropriate disciplinary action of this House.

The member for Timiskaming, I will say, has put to rest a certain amount of confusion as to whether or not he had apologized. While I received a letter of apology from him yesterday afternoon, I read with amazement in the Globe and Mail that he had stated: "The NDP members are making a big thing out of nothing. Mr. McClellan has written to the Premier. If that's how low the NDP have to stoop for publicity . . ." It has nothing to do with publicity. It has to do with my dignity as a human being. The member for Timiskaming said in the Globe and Mail article: "get carried away once in a while, so what?"

"So what," is the challenge to this Legislature, sir. If I, or any member of this House, were "to get carried away," in the words of the member for Timiskaming, and walk across the floor of this House and physically assault another member, I would expect to receive the full discipline of this House. I would expect the full weight of the House's sanctions to come against me. I would not expect to get off with an apology. I would expect to be required to apologize but I would also expect to accept the further consequences of my actions.

Unless there is any single member of this assembly who is still unaware of the kind of assault on human dignity that racial taunts and racial invective represent, let me just quote one page from Cardinal Carter's report on page 20.

"When a person is called a nigger, a queer, a faggot, a Chink, a Paki, usually with the appropriate accompanying adjectives, he has been attacked as surely as if he were struck."

On Tuesday night, as part of a prolonged barrage of racial taunts and invective, my colleague and I were referred to by the member for Timiskaming as Wops. We have, each of us, been attacked as surely as though we were struck. There must be discipline brought to bear.

On a personal note, Mr. Speaker, I am the grandson of Gesualdo Costabile. I am a member of the Italian community of this province. I am a member of the community that has suffered its share of racial prejudice, and with the members of my community and the members of any minority community which has experienced racial prejudice I carry the pain of that experience inside me.

I say to you, sir, I have an absolute right as a human being to be protected from racial invective in this Legislature. I submit to you, Mr. Speaker, I have the right to insist this kind of reprehensive behaviour cannot simply be passed over with an apology.

I stress again I accept the apology, but I say the incident must be effectively disciplined by the exercise of the ultimate sanction of this House. The integrity of this Legislature and the human dignity of each of its members demand that. I ask you, Mr. Speaker, to name the member for Timiskaming and to expel him from this Legislature for such period of time as you, sir, deem appropriate in the circumstances.

Thank you, Mr. Speaker.

Mr. Speaker: Does any other member wish to speak to the point of privilege?

Mr. S. Smith: I want to speak very briefly, My Speaker. Most people in this House are in one way or another members of a minority group. Most people in this House have, I think, the very same feelings which have been expressed quite eloquently by the member for Bellwoods. Therefore, I simply want to say, on behalf of people of varied backgrounds, that I want to associate myself with the remarks by the member for Bellwoods.

[2:15]

I would in your consideration, Mr. Speaker, ask you to recognize that whether these are the equivalent of physical blows or not, the business of this House and the respect that we all must hold for one another cannot proceed in any way at all with the repeated comments of the kind that were made by the member for Timiskaming. Although the apology is certainly welcome to members of this House, and must of course be accepted by members of this House, I believe that the apology by itself is insufficient and I simply ask you to take that into consideration when you are ruling on this matter of privilege.

Hon. Mr. Davis: Mr. Speaker, I listened very carefully to the statement made by the

member for Timiskaming. I listened very carefully to the observations by the member for Bellwoods, and of course from the Leader of the Opposition.

I sense that the Leader of the Opposition is really saying to you, Mr. Speaker, that you should make a judgement without perhaps suggesting what that judgement should be, certainly as definitively as the member for Bellwoods.

I was not here on Tuesday evening but it was reported to me, Mr. Speaker, that the acting leader, or the member for Kitchener (Mr. Breithaupt), accepted on that occasion the apology of the member for Timiskaming; that is what I understood. This was brought to my attention some time during the course of Wednesday morning, I guess it was, Mr. Speaker.

While I had not seen a transcript nor had I listened to the tapes—and I have become a little bit confused, as apparently there are a series of tapes that don't always get recorded in Hansard, on which members can be talking to other members and interjections may or may not appear—but in spite of my not having heard the tape, Mr. Speaker, there was no doubt in my mind that the member for Timiskaming had regrettably made observations which he himself has acknowledged as being offensive and which in my communication to him, as of yesterday, I have said would be seen, from my perspective, as highly offensive.

I also understand, Mr. Speaker, as we all do in this House, that sometimes during the course of debate, and it appears to happen more often in the late evening than in the early afternoon, that members—and it is not confined to any single party—have over the years made observations which on careful reflection, had they known they were going to appear in Hansard perhaps would regret having made them.

I made it very clear to the member for Timiskaming, Mr. Speaker, that I could not tolerate or accept, even in the environment in which we do business here, that kind of observation. I asked him to apologize immediately to the two members who were affected by those observations, and my understanding is that that instruction was carried out forthwith.

I have had the assurance of the member for Timiskaming that he does understand how this can be perceived by people outside this Legislature. He has traced for you, Mr. Speaker, his own history in this province. He has made a complete apology to the members of this House.

He is, Mr. Speaker, a member. He is also a human being. He knows he has made a mistake. He knows he has done something that he should not have done. He is doing, before his colleagues on both sides of the House, what any honourable member could do, and I say with respect, Mr. Speaker, he has done all that any member can do.

Mr. Speaker, we say the Lord's Prayer. We say it here, some of us more regularly than others in terms of being in our place. Interestingly, one of the phrases in that prayer that we say every day relates to forgiveness. It relates to the human quality that I would hope is a part of our being. It relates to a quality that I think is important in any member of this Legislature, and that is our sensitivity to other human beings, whether they be members in this House or elsewhere, that recognizes that none of us are infallible, that we do on occasion say things and do things which are objectionable.

I would say to you with respect, Mr. Speaker, the member for Timiskaming has apologized in a very public way, in a way that I would suspect has not been easy for him, not easy in terms of his family. He has asked very simply that the members of this House accept his apology, sir, and he is saying to you that as a member he has done all he can to express in this public forum his regrets for what was said on Tuesday evening.

So, Mr. Speaker, I leave it to you, sir, in your wisdom, knowing the human frailities that exist, and I say this with respect, for at least most members of this House, to consider whether a member can be asked to do any more.

Mr. Speaker: Pursuant to the very, very unfortunate incident that occurred in this House on Tuesday night and the comments that were attributed to the honourable member for Timiskaming, my deputy, the member for Perth (Mr. Edighoffer), who occupied the chair at that time, undertook to go over the transcript, which we did in my office with the director of debates.

I think what appears in the official Hansard is an accurate account of what was said; that was the undertaking that was given to the House and to the honourable member for Bellwoods who raised it.

Under the standing orders, the only power that is vested in a presiding officer is the obligation to name a member if, during the course of debates, he says something or does something that the presiding officer considers to be out of order. The only recourse the presiding officer has is to name that honourable member, and of course there are other actions that can be taken by the

presiding officer, on the advice of the House, for a member that persists in contravening the rules of the House.

Under a situation like this there is no power vested in the presiding officer other than to ask the honourable member to resume his seat, or if words have been uttered that are found to be offensive that he ask that they be withdrawn.

As I studied Hansard and the transcript of Hansard on Tuesday night, those words were withdrawn. There was an apology tendered to the House. Since the extent of those utterances have become more obvious, the honourable member for Timiskaming has communicated in written form to the members who allege to have been offended by those remarks. He has done so, and stated here before us all that he does regret having made those remarks, and has done all that is within his power to do to reconcile his actions before the House. I must, therefore, advise all members that there's no action that can be taken by a presiding officer.

If the House in its wisdom feels, in the light of what has been said, that further action should be taken, that responsibility rests with the House, not with the presiding officer. Both the honourable member for Perth who occupied this chair at the time of the incident and I have taken all the action we are empowered to take under the standing orders.

I would like to say, however, that as a result of the incident and other occurrences in the past which might have been considered borderline—as you will appreciate it's absolutely impossible for presiding officers to pick up every comment and react immediately to it—I have talked this over very carefully and at some length with my deputy and I would like to say to all members of the House that I want to make each and every member of this House aware that I have become increasingly concerned about personal attacks, either as interjections or in the course of the debate.

Members know that intemperate remarks are out of order. I am sure you share my concern that the House should always have the ability to deal with public issues in a strong and in a partisan manner. I also know that you expect issues to be dealt with on the merits of the issue and not by way of personal attack. I will attempt to enforce this rule vigorously and more forthrightly so that the important issues and the important business which are before this House can be dealt with in the high manner which the House itself has the right to expect.

STATEMENTS BY THE MINISTRY

IPPERWASH PROVINCIAL PARK

Hon. Mr. Auld: Mr. Speaker, last May I answered a question raised by the member for Huron-Bruce (Mr. Gaunt) regarding Ipperwash Provincial Park. I wish, at this time, to update my response to that question.

The honourable member's inquiry pertained to the siting of an entrance road which was part of the park's facilities and the possible bad effects this road would have on wet meadow areas containing rare plant species. In May, I pointed out why the road was required and that the road does not pass through a wet meadow, but rather runs along the side of a dune adjacent to the wet meadow and that the habitat for these rare plant species has not been ruined or destroyed.

For his further information on this matter, I wish to advise that life science study work carried out this summer and fall has reaffirmed the presence of the rare plant species, including blue hearts, in the wet meadow adjacent to the entrance road at Ipperwash and in similar wet meadows in nearby Pinery Provincial Park.

The plants in these areas are doing quite well—I sent the honourable member a photograph. My staff, in consultation with persons with expertise from outside my ministry, has developed a strategy for the ongoing monitoring and protecting of these specific areas. It's an important task of my ministry to protect significant natural areas in this province, and my staff and I look forward to the continuing co-operation and assistance of interest groups and the general public in this endeavour.

A great deal has already been accomplished, and I can assure the member that efforts will continue towards the preservation of the natural and cultural features of Ontario.

TRIBUTES TO DALTON BALES

Hon. Mr. Davis: Mr. Speaker, I would just like to express on behalf of the government our great shock and sorrow at the death of Dalton Bales, one of the very distinguished members of this House for a number of years. Mr. Bales was a very close friend of many in this Legislature, I think it is fair to state on both sides of this House. He is a person who made a very great contribution to public life in this province, to his own community and to those who had the great fortune of being associated with him.

[2:30]

It is very difficult for me to put into words the personal sense of loss felt by me, and I know a number of us who had known Mr. Bales for many years. I would like to take this occasion to publicly state my appreciation for his service to our province and to express on behalf of this government our profound sympathy to his wife, Iris, and to the members of the family.

To some of those members opposite who might wish to join in paying their respects to the former minister of the crown, I would say the services will be held on Saturday morning. If anyone wishes details of this, Mr. Speaker, my office would be delighted to share the information with them.

I wish very simply to state our province and our communities will miss Dalton Bales. He was a very vigorous, active and enthusiastic sort of person, one who was a great credit to the public life of this province. His loss is regretted by all of us.

Mr. Nixon: It has been correctly stated that Dalton Bales was liked and respected on all sides of this House. When he was appointed Minister of Labour I remember thinking his personality might not lend itself to such really difficult responsibilities, but I was wrong, because his moderation, good judgement and good humour meant he was respected and liked by those he dealt with there, as in his other ministries, and on a personal basis in this House.

He certainly will be missed. I must say I hadn't spoken to him for a number of weeks, but from time to time I had seen him in this House and on the streets of the city and he was always affable and interested in public affairs as usual, and of course in personal matters as well.

I was shocked to hear of his accidental death. It is a great loss to his family and to the community. The Liberal caucus joins with the statement the Premier has made in sending our respects and condolences to Mrs. Bales and the family.

Mr. Cassidy: On behalf of the NDP, I want to associate myself and my party with the comments that have been made on the untimely and shocking death of Dalton Bales, both by the Premier and by Mr. Nixon.

Like everyone else who worked in this assembly, I knew Dalton Bales was a politician unlike many other politicians. He was unfailingly courteous, he tended more to be quiet and effective than as noisy and vigorous as some of us have been. His memory will be cherished in the assembly by everyone who knew him for his personal qualities and his contribution to public life in the province.

His reputation relates not just to his service in the Ministries of Labour, of Municipal Affairs where I first knew him, and as Attorney General of this province, but also to his active work prior to 12 years in the provincial House in the borough of North York, with which he was associated during five turbulent years of very rapid growth in establishing a new municipality on the northern fringes of Toronto.

Dalton Bales came from a small rural community, and during the course of his life saw that rural community grow up into what is now the city of North York, with all of the problems with which he had so much to do in terms of seeking solutions. He had deep roots in that community; he had deep roots here in this Legislature, in his political calling and in the province.

Along with the representatives of the other parties, we mourn his passing and extend our condolences to his widow, Iris, and to his children.

Mr. Speaker: I would like to remind all members and other persons who may wish to express their condolences to the family of the late Dalton Bales QC that to facilitate this a book has been placed in the lobby near the main door of this building. It will be available there until Friday afternoon.

VISITORS

Mr. Speaker: I would like to bring to the attention of all honourable members of the House the presence of four distinguished visitors in the gallery. Two of them are parliamentarians from the Bundestag in West Germany, Dr. Alfred Dregger and Count von Stauffenberg. Along with them in the gallery are Mr. Robert Coates, MP for Cumberland-Colchester in Nova Scotia, and Mr. Jack Ellis, MP for Prince Edward-Hastings in Ontario. Will you please welcome them.

INDUSTRIAL INQUIRY COMMISSION ON DEPENDENT CONTRACTOR PROVISIONS

Hon. Mr. Elgie: Mr. Speaker, I should like to advise members of the House that I have today appointed an industrial inquiry commission, pursuant to section 34 of the Labour Relations Act. The mandate of the commissioner, Professor S. R. Ellis of Osgoode Hall Law School, will be to inquire into and report to the Minister of Labour concerning the application of the dependent contractor provisions of the Labour Relations Act in the aggregate-producing and road-building industries.

I appointed the commission because of repeated representations made to the ministry by certain employer organizations in the trucking industry, which assert that the dependent contractor provisions of the Labour Relations Act, which came into effect on January 1, 1976 have had consequences to that industry which in their view were not intended by the legislation.

The organizations making those assertions refer to comments said to save been made by the then Minister of Labour to the effect that if practical difficulties emerged or if the provisions failed to achieve their objectives or created unforeseen problems or hardships in particular industries, they would be reviewed.

The commissioner, Professor Ellis, will be conferring with interested parties from labour and management and will in due course be reporting the results of his investigation to me, at which time I will table his report in the Legislature.

ORAL QUESTIONS

HIGH-SPEED CAR CHASES

Mr. S. Smith: Mr. Speaker, I have a question for the Solicitor General. The Solicitor General may be aware that last night within a few blocks of my home a 16-year-old boy, a good student and well thought of, was killed as an innocent bystander while a passenger in the rear seat of an automobile when that automobile was hit by a police vehicle apparently travelling at very high speed, and apparently in pursuit of another vehicle also, it would seem, going at very high speed in the middle of the city of Burlington.

May I ask the Solicitor General whether he is now prepared to put an end to this kind of killing of innocent bystanders by making it very clear to the police forces in Ontario that they are not to engage in high-speed driving in pursuit of others driving at high speed, with the exception perhaps of the rarest of all circumstances, where the other driver is thought to represent a clear and imminent danger to society or to other lives, so that such chases or pursuits or followings, or whatever they are, simply cease in Ontario? I would ask also that a proper set of guidelines be issued and enforced and that those who do not abide by those guidelines be properly disciplined, and where necessary charged. When is the Solicitor General going to act on this situation?

Hon. Mr. McMurtry: I think the Leader of the Opposition, in his own unique fashion, is attempting to take advantage of what is undoubtedly a serious tragedy to mislead the people of this province. With respect to the suggestion that there is no policy with respect to high-speed police chases, even the most rudimentary amount of research would have revealed that the opposite is the case.

In view of the obvious interest of the Legislature in this matter, and in view of the tragedy that occurred a week or two ago, I had intended to make a lengthy statement in relation to the whole matter of high-speed pursuits. I will be doing so within the next several days.

In view of this recent and most lamentable tragedy, I would like to remind members of the House that on June 1, 1976 the Ontario Police Commission disseminated to all chiefs of police a memorandum dealing with the issue of high-speed pursuits by members of police forces. This memorandum was not the first policy that had ever been disseminated, of course, but was a reminder to the forces of their views on the matter, which in their view should be used as a guideline for the establishment of individual force policy. I am advised that all police forces in this province have had guidelines for some years which do follow the intent of the Ontario Provincial Police guidelines. As members know, the local police commissions do have some authority in this respect as well.

I'm quite prepared at this time to read at length from various memoranda that have gone out to police forces in this province, but I think that may more properly be the subject of a formal ministerial statement. So, subject to the wishes of the House, I'm going to leave this issue at this time; but I simply say that police do have guidelines with respect to high-speed police chases. I can assure the House that police officers generally are very reluctant to engage in these high-speed chases because they themselves are exposed to considerable risk, as well as the members of the public. Obviously, in each individual case a high degree of judgement must be utilized as to whether or not a high-speed chase is appropriate. All police officers are continuously reminded of this fact.

For us to say to the police forces of this province that they shall not engage in high-speed chases except in the rarest of circumstances is only to invite those who have no respect for the law to engage in the high-speed operation of motor vehicles—either to escape detection, apprehension or for other reasons—knowing that the police forces are unlikely to engage in a pursuit. To suggest otherwise represents nothing less than a

very simplistic approach to a very difficult problem.

I reiterate that we will be making a lengthy statement to the Legislature, at least by the beginning of next week. The Solicitor General's estimates will also be debated in the next several weeks, and again I would be very happy to invite the views of all members of this Legislature if they believe that we can improve the guidelines that have been laid down. I welcome their advice in a very difficult and complex matter.

[2:45]

Mr. S. Smith: By way of supplementary: When the Solicitor General decides to make this statement in the House, will he include the statistics of how many people have been killed and how many injured since the memorandum he refers to of June 1, 1976? Is he aware that there have been repeated requests since that memo for guidelines, with actual enforcement of those guidelines; that the policy minister for the justice field as recently as October 22, 1979 knew nothing of any such guidelines and hoped that the Solicitor General himself might have something to say on his return from having been elsewhere that particular day?

How many people have died? Doesn't the Solicitor General recognize that this old chestnut about having to be able to have police chases for fear that all the crooks will decide to drive at high speeds just doesn't hold water? In fact the social benefits of these high-speed pursuits in no way are balanced with the terrible carnage to innocent bystanders, as well as to police persons themselves. When is he going to have the courage to stand up and implement proper guidelines which will be clear to all, and to charge those who do not obey those guidelines?

Hon. Mr. McMurtry: There are guidelines. I say once again, the Leader of the Opposition in his own simplistic, but I think sometimes irresponsible fashion, is deliberately trying to mislead the people of this province as to what does in fact exist. When is he going to start to show a little responsibility in these areas of law enforcement? I think he really should be a little ashamed of himself because there are guidelines in existence. They have been in existence for some time.

Mr. Breithaupt: The policy secretary didn't know it.

Mr. S. Smith: The policy secretary didn't know it. You have a short memory.

Hon. Mr. McMurtry: I will certainly be prepared to share with the members of the Legislature all the available statistics with respect to high-speed chases, such as they are known. I believe that all forces do keep pretty accurate statistics in this respect. I will be quite happy to share these statistics with the Legislature, and to share the guidelines that have been disseminated in this province.

Mr. S. Smith: Point of privilege.

Mr. Speaker: Let's not have a point of privilege every time somebody says something. The very thing that the honourable the Solicitor General has engaged in is the very thing that leads to the kind of invective that's thrown across the floor of this House.

While the standing order doesn't specifically preclude the use of the word "misleading," for him to suggest that somebody over here is engaging in some kind of activities or saying something that would mislead somebody does cause problems. I think the Solicitor General has sufficient command of the English language that he could use something less offensive.

Interjections.

Hon. Mr. McMurtry: On a matter of personal privilege, if I may be permitted to make this observation: the Leader of the Opposition chooses to preface most of his questions with, "If the government had the courage to do this," and "would stop allowing or tolerating slaughter on the highways." If he continues to insist in the preface to his questions on including a lot of inaccurate statements and innuendoes, then people like myself might be tempted to engage in what may very well be a rather provocative discussion.

Mr. Nixon: Respond to the Speaker.

Hon. Mr. McMurtry: The manner in which he chooses to ask the questions really leaves us very little choice, with the greatest of respect to you, sir.

Mr. Speaker: There is a way of expressing one's view in a very accurate and precise way without being provocative, and without another member getting up and saying, "Mr. Speaker, rule on this particular word or that particular word." I think the minister has a sufficient command of the language that he can avoid those incidents.

Mr. Cunningham: Supplementary: On the subject of policy with regard to this unfortunate tragedy, is the minister aware that the police car involved in this accident was travelling in excess of 100 kilometers per hour in a built-up area and that it didn't

have the flasher on; that when questioned on this, the official response was that they don't use flashers "except for high-speed chases?"

If this was not a high-speed chase, what is?

Hon. Mr. McMurtry: I can only say that I heard of this tragedy only a moment or two before I entered the Legislature this afternoon. I will certainly be receiving a full report with respect to this tragic occurrence, including whether or not a flashing light was used. Certainly that is part of the policy guidelines laid down; the flashing lights are supposed to be used. Certainly if the high-speed chase took place on the city streets, I would say, without knowing any more of the details, flashing lights in my view would be warranted in the circumstances.

In fairness to everybody involved, I should have the benefit of a full report on this particular tragic occurrence before replying further.

Mr. Speaker: A new question, the honourable the Leader of the Opposition. We have spent 13 minutes on this one.

Mr. S. Smith: I trust, Mr. Speaker, you are not suggesting we had to spend 13 minutes on it.

Mr. Speaker: Not at all, not at all.

Mr. S. Smith: If we could have had an answer to the question instead of some personal invective we might have spent less time on it. It is becoming a bit of a habit, Mr. Speaker.

INTEREST RATES

Mr. S. Smith: A question of the Treasurer: Today's report by the Conference Board in Canada suggests Ontario's economy, according to their predictions, will grow by about 1.8 per cent, which is considerably below the national growth rate of 2.6 per cent. Ontario's real growth rate will rate, according to them, ninth in Canada, even behind the Maritime provinces. In view of the fact the manufacturing industries, for whom the high interest rates are increasingly devastating, are centred out as bearing the brunt of the problems of high interest rates in this economic reversal, are you now prepared to go to Ottawa to appear in front of a parliamentary committee—and that is an idea, by the way, which the member for London Centre (Mr. Peterson) suggested and the Premier (Mr. Davis) thought very intriguing—to make it very plain Ontario stands against the high interest rate policy in view of the devastatingly low growth that seems to be in store for our manufacturing industries?

Hon. F. S. Miller: Mr. Speaker, I have great respect for anybody's prognostications. I would say the conference board's quarterly estimates of the future have been subject to some rather rapid variation and I would suspect at this moment they are underestimating the 1980 economy of this province.

Everyone else's views are more optimistic than theirs, as are, certainly, the ones we hold. That would answer the first part of the member's question.

In answer to the second part of the question, I am not the least bit enthusiastic about high interest rates. I have said that clearly. I have also said clearly I do recognize when something is in someone else's domain.

I do believe governments normally deal with ministers rather than with the committees of government, although we have not yet reached a conclusion. I am quite willing to review the suggestion of the member for London Centre to see whether there should or should not be some appearance before the committee, or whether it is appropriate to deal with a minister of the crown.

Mr. S. Smith: By way of supplementary: Can the Treasurer table in this House any studies which have been done detailing the impact of high interest rates on our manufacturing industry and on the provincial economy in general?

I point out to him that on October 25 when asked about that, the Treasurer said, "I can't say that there is any study." But the next day, in the Treasurer's absence, the Premier said, "If the members think the Treasurer and his ministry have not already been studying the impact of high interest rates, I just want to tell them they have."

Which one of these is true, Mr. Speaker? Will the Treasurer tell us whether he has studied the impact of high interest rates or he hasn't studied the impact of high interest rates? If he hasn't, why hasn't he? If he has, would he table the studies? Why does he hesitate to share those studies with the federal government?

Hon. F. S. Miller: I think the question is the definition of the word "study."

Mr. Nixon: The Premier is wrong.

Hon. F. S. Miller: At any point in time there are staff observations and comments upon the effects of almost any variable on the economic front.

I quoted in Hansard the other day a statement from a speech I had made that, and I think it was the first nine interest rate changes—there were nine at that point, there

are 11 now if I'm not wrong—had an effect of about 1.25 per cent, I believe, upon the economy. The latest update I saw was 1.4 per cent. I would only suggest that the studies are not comprehensive and exhaustive ones. They are the best suggestions—

An hon. member: Guesstimates.

Hon. F. S. Miller: Guesstimates, I don't even mind using that word in the economic field.

Mr. S. Smith: Fair enough. Then will you table them?

Hon. F. S. Miller: I don't even mind using that word because I haven't found any way to be sure. Therefore I simply say that I listen to a bunch of people who guess about the future and I take something of a midway course on all those guesses.

Mr. Peterson: Supplementary: In view of the fact that the Treasurer doesn't ever express any reluctance about expressing a provincial point of view on oil pricing and several other matters that are exclusively in the federal jurisdiction, surely he has an obligation now to understand what this is doing, rather than just standing up oozing concern about the issue and in a non-committal way saying he is sort of against it but not sure.

Surely he has an obligation at this time of impending economic downturn for this province to share those studies with this Legislature, and to represent those views in Ottawa as strongly as he can and not just behind closed doors when he is having a glass of port with the new Minister of Finance. Surely he has a much greater obligation to this province. Will he table those studies and will he forcefully take those views publicly to Ottawa?

Hon. F. S. Miller: I will be glad to look at the materials I have and see what might be acceptable or usable. I don't know how thick they are. I don't feel there is anything secret about them.

Mr. Peterson: As the minister, haven't you read them?

Hon. F. S. Miller: I'll be glad to go back and see what's there and report on the suitability for tabling. I listened to the Minister of Finance as recently as an hour ago. He is in Toronto today.

Hon. Mr. Davis: The honourable member should have gone to hear it.

Hon. F. S. Miller: The word of light was being given for those assembled.

Mr. Kerrio: He's looking for money.

Hon. F. S. Miller: Would that the honourable member had been there to listen to some of the arguments. As he said, all the pundits are safe to guesstimate what he should do but he has to carry the can.

Mr. Martel: They're all dead.

Mr. Peterson: You don't even carry a pop can.

Mr. Kerrio: Was he conscripted for the job or did he volunteer?

Mr. S. Smith: There was more respect for Darcy McKeough than for any of you guys.

Mr. Speaker: Order.

JOB CREATION

Mr. Cassidy: I want to return to the Treasurer on the forecast made today by the Conference Board in Canada. In view of the fact that the conference board expects that our growth rate in Ontario next year will be only half the national growth rate, and in view of the fact that the conference board is predicting manufacturing output in this province will go down next year by 2.4 per cent, since the conference board forecasts are based on a $2 increase in oil prices next year, which is an increase that is at best half what we are likely to have to bear, will the Treasurer say what specific programs the government intends to introduce in order to reverse the predicted decline in manufacturing in this province next year?

Hon. F. S. Miller: I don't believe the conference board is right, that's number one.

Hon. Mr. Davis: And they have been wrong before.

Hon. F. S. Miller: I have a lot more confidence in next year's economic future than they have. Their estimates are far below any realistic estimates of what is going to happen in this province next year. We have the potential for trouble. We have programs in place, like the Employment Development Fund, that have created a lot of jobs in the industrial sector this year and we are going to continue with them.

Mr. Cassidy: Supplementary: Since the Treasurer has now had seven months to see whether he could create jobs with the Employment Development Fund, will the Treasurer undertake to start using those funds as part of an overall industrial strategy and start rebuilding key sectors of the manufacturing economy of this province, rather than holding back the Employment Development Fund as a kind of pre-election sock that he can spend to try to get votes back in the spring?

Mr. Blundy: You are never going to get them back.

Hon. F. S. Miller: I can go to a couple of the ridings represented by the honourable member's party and I'll tell him there's some sock in those ridings. We are pretty well respected in them.

Hon. Mr. Davis: That's right.

Hon. F. S. Miller: There will be some more very shortly that we will be announcing. I will simply tell the honourable member we are going to carry on as we have. One great thing this year, we estimated at the start of the year that $10 billion would be reinvested in Ontario this year. Our current estimate is $14.5 billion will be reinvested in Canadian industry in Ontario this year.

[3:00]

Mr. Cassidy: Supplementary: Since 100 jobs are just about to disappear with a bakery merger in Ottawa, since more than 10,000 people across the province are on layoff or have been laid off according to the latest annual returns from the Minister of Labour (Mr. Elgie), will the Treasurer not admit there are problems in manufacturing now and that those problems are liable to get worse according to the predicted outcome from this winter? Why will the government not undertake an industrial strategy on a planned basis to start rebuilding our manufacturing sector rather than letting it run down?

Hon. F. S. Miller: In countries where governments of the member's ilk have had the opportunity to plan they have all gone downhill.

Mr. Warner: You can't even say it with a straight face.

Mr. Cassidy: I had the pleasure of meeting with my social democratic friend from West Germany the other day and socialist planning works in West Germany. It works very well.

Mr. Speaker: Is this your second question?

Mr. Cassidy: And they have been in office almost as long as this government as well.

RECRUITMENT OF FOREIGN WORKERS: APPRENTICESHIP PROGRAMS

Mr. Cassidy: Mr. Speaker, I have a question for the Minister of Labour which once again relates to the importation of skilled tradesmen and the failure of apprenticeship programs here in Ontario. Is the government aware that Douglas Aircraft is proposing to import approximately 200 skilled tradesmen for its Toronto plant? Will the minister take action to see these high-paying skilled jobs are made available for Ontario workers rather than workers brought in from abroad?

Mr. Kerrio: They went there when Diefenbaker let them go.

Hon. Mr. Elgie: First of all, I was not aware of it; but had I been aware of it—and I am sure the member knows this—the requirements an employer must go through before obtaining permission to allow such a search to take place are really quite intensive and I have been assured, and I accept the fact, that even after those vigorous searches for skilled workers within the country there still is an impossibility at the present time to find sufficient skilled workers.

So under those circumstances it is permitted, on occasion, to find skilled workers outside the country. I want the honourable member to understand that for every skilled worker brought into this country there's a commitment made by the employer to train workers. As a matter of fact, if my memory serves me properly for every skilled worker who has come into this country at least one other has started in a skill training program, and there have been other non-skilled employees who have obtained employment as a result of the arrival of that skilled employee.

But having said all that, I don't think there's anybody who argues that we need to have good short- and long-term plans to provide the skilled training for the young people of this province here in this province, and that's what we are doing now. The efforts going on in the Ministry of Education are quite extensive. At the present time there are over 30 community industrial training councils, and by January I am assured, there will be double that many. So there's enthusiasm, there's involvement and there's commitment to provide those training facilities in this province for Ontario youth.

Mr. Kerrio: It took a long time.

Mr. Cassidy: Supplementary, Mr. Speaker: The minister has stated that for each skilled worker brought into this country there is at least one worker who is taught his skill by the company concerned. Can he then explain why it is that using the facilities of this government for the selective employment service Douglas brought in 30 skilled workers in 1978 and 24 skilled workers in 1979, but today has only 10 apprentices in its entire plant out of a total of 2,000 employees? Why should we now permit Douglas to go abroad looking for workers when their apprenticeship record before 1978 was abysmal and when they have made no appreciable improvement since then?

Hon. Mr. Elgie: Mr. Speaker, if the member wants the exact details of the arrangements with Douglas, I would refer the question to the Minister of Industry and Tourism (Mr. Grossman). But before doing that I want it clearly understood what our commitment is and that is to provide short and long-term facilities and counselling and labour market information that will allow Ontario youth to be trained in this province for the skills we desperately need. But with regard to the specific arrangements with that company I would refer the question to the Minister of Industry and Tourism.

Mr. Conway: My question is to the minister in his second incarnation, minister of manpower.

Since it has been many months since he was created minister of manpower, and since he indicated in his response to the leader of the New Democratic Party that this was a government with enthusiasm, involvement and commitment with respect to finding jobs for the young Ontarians, can he indicate what specific skill training strategies he, as minister of manpower, has initiated on behalf of the young people of Ontario in the months now since he has been made minister of manpower?

Mr. Warner: Name one.

Hon. Mr. Elgie: Far be it from me to suggest that the member for Renfrew North is ever wrong about anything. I am an admirer of his and so it would be beneath my dignity to suggest that he ever is wrong. But he well knows that the Ontario Manpower Commission came into being on August 1. It has been diligently and very vigorously evaluating all the existing programs and will shortly be making recommendations.

Mr. Peterson: How many young people have you employed?

Hon. Mr. Elgie: In addition to that, many things have been going on and much co-ordination has taken place. The employer-sponsored training programs are working, they are becoming more numerous, and I think that is an avenue that offers great promise.

Mr. S. Smith: Promises, promises.

Hon. Mr. Elgie: In addition to that, there have been at least two or three new apprenticeship trades in the industrial sector that have been regulated, and several more are being planned. I am sure the member, living as close as he does to Ottawa, will have noted there was a bill introduced in the House of Commons in Ottawa recently which will allow us to make better use of adult occupational training funds. So there is lots of activity going on, and I want to assure the member of that.

Mr. di Santo: Supplementary: How can the minister say this government is providing short and long-term programs for apprenticeship in this province when in Metropolitan Toronto at this time there is only one course at Centennial College for auto mechanics and there is only a prospect for one further course next year, in January; and when we know that the apprenticeship program is not attracting a high number of young unemployed in the province?

When will the government come down with a serious plan which will provide a serious apprenticeship program in the province, which by the way was promised a long time ago by his predecessor?

Hon. Mr. Elgie: I didn't say that short- and long-term strategies were in place; I said they were being developed.

With respect to the question the member asked relating to auto mechanics and the courses in Toronto—

Mr. Warner: It sure is taking a long time.

Hon. Mr. Elgie: —I am afraid that is a question the Minister of Education (Miss Stephenson) will have to answer, and I would refer that to her.

Mr. Sweeney: Given that the countries from which these skilled labourers are being imported have mandatory ratios of apprentices to skilled workers as a condition of operating in those countries, when is the minister going to put in place legislation of that sort in this jurisdiction?

Hon. Mr. Elgie: As the member knows from the mandate given to the commission, they have been asked to make recommendations about those very matters. Those are the issues that are being evaluated at the present time.

PHYSICIAN IMMIGRATION

Hon. Mr. Timbrell: On Tuesday, the member for Grey (Mr. McKessock) asked the Premier (Mr. Davis) questions concerning the government's policy towards allowing doctors to immigrate into the country.

Since July 1975, the federal Department of Immigration has restricted entry of physicians into Canada to positions of need for which qualified Canadians are not available. This is done in co-operation with provincial authorities.

In Ontario, the decision concerning need and support for intending physician immigrants is made by the Ministry of Health, and we advise the federal authorities accordingly.

The policy in Ontario is to consider these applications on an individual basis. This is done by a committee consisting of representatives of the College of Physicians and Surgeons, the College of Family Physicians, the Ontario Medical Association and the ministry.

Regions designated as medically underserviced are given special consideration. For a number of communities, arrangements have been made to support physicians who are eligible for a licence in the province and who are willing to provide service for an agreed period.

Mr. Speaker, I'm informed there are three practising physicians currently in Durham and one practising outside of that town. However, I understand there is need felt in the community for another general practice physician and that Mrs. Wight, the administrator of the Durham Memorial Hospital, has recently contacted my ministry's underserviced area program to discuss some form of financial assistance.

Dr. Copeman, the head of the program replied to Mrs. Wight on October 30 and has asked to meet with her to discuss the situation. If the only feasible solution should be special support for an immigrant physician that may well be possible under this policy.

Mr. McKessock: Mr. Speaker, to the minister: In view of the fact that it's hard to obtain doctors in rural areas, even in southern Ontario, would he consider, after a community has been trying to obtain a doctor for one year and has failed to do so, putting them on the underserviced area program that he has for northern Ontario with financial assistance?

Hon. Mr. Timbrell: Mr. Speaker, we do have communities in southern Ontario covered on the underserviced area program. It's about that that Dr. Copeman has written to Mrs. Wight indicating he would like to meet with her.

Mr. McKessock: With financial assistance?

Hon. Mr. Timbrell: Under the underserviced area program.

Mr. Speaker: I'd like the assistance of honourable members. Some honourable member has sent an inquiry to the ministry to the table, specifically to the Minister of Colleges and Universities (Miss Stephenson). We don't know from whence it came. The member didn't put his name on it. Would he please enlighten the table?

STEPHEN TRUSCOTT

Mr. Stong: In the absence of the Attorney General (Mr. McMurtry) I have a question of the Provincial Secretary for Justice concerning the Stephen Truscott case.

In light of the revelations brought to our attention over the weekend in an article by Mr. Trent, would the minister give this House his assurance that the matters set out by that author will be thoroughly investigated and that the results of that investigation will be shared with this House so that members can consider appropriate methods of compensation in the event there has been a miscarriage of justice?

Hon. Mr. Walker: I'm sure that the Attorney General would go on to answer the question more directly, but I am aware that the Prime Minister of Canada has indicated that the government of Canada may well be investigating the matter. If that's the case I think the investigation will be shared with members of this House.

HEALTH SERVICE CHARGES

Mr. Breaugh: I have a question for the Minister of Health. I'd like to ask him if he's in agreement with this patient information card which is handed out to patients at St. Michael's and a few other clinics by a group of physicians called, Anaesthesia Services—they are opted-out physicians charging above the Ontario Health Insurance Plan rate.

Is the minister in agreement with this statement that there is no hospital or government regulation that requires prior notification to the patient of this legal action?

Hon. Mr. Timbrell: Mr. Speaker, it was drawn to the attention of that particular organization of anaesthetists some time ago, if not months ago, that that does not reflect the position of the Ontario Medical Association. I'm told that that's been revised accordingly.

Mr. Breaugh: Mr. Speaker, supplementary: As of noon today that is still their position and practice. In fact as expressed by their office manager, "It is not considered ethical to discuss the billing arrangements with the patient just prior to an operation."

It was her understanding that the anaesthetists at large had been exempted from the rule that all physicians should notify patients ahead of time.

Hon. Mr. Timbrell: Mr. Speaker, I'm sure that the physicians are certainly aware of the position of the medical association. They're also aware, I'm sure, of the facility provided by the medical association to deal with any individual issues here.

It's clear; the member has been asked repeatedly, I know, to make use of that

service, I understand; there is a mechanism there. I can tell the member that I've been aware of that for some time, and immediately upon becoming aware we prevailed upon the medical association to make it clear to their members, yet again—in this case these particular members—what is involved in the agreement of March. I was told that it had in fact been corrected. I can tell the member that I've not had any particular complaints from that hospital.

Mr. Breaugh: Mr. Speaker, could I have a final supplementary on that? The minister is obviously aware of this case. As of noon today the practice persists. They obviously have taken a position directly opposite to the minister's personal point of view, and perhaps the view of the OMA. What is he going to do about it?

[3:15]

Hon. Mr. Timbrell: I thought we had, in fact, corrected it. If that's not the case—

Mr. Swart: Well he told you that.

Hon. Mr. Timbrell: With respect, the member has made a statement, and I have found in cases involving the Wellesley Hospital, the Blind River Hospital and elsewhere—

Mr. Wildman: What are you going to do about it?

Hon. Mr. Timbrell: —sometimes assertions members over there make aren't entirely accurate.

Mr. Warner: You're not going to do anything.

Hon. Mr. Timbrell: I will look into it. We were aware of it and thought it had been corrected.

Mr. M. N. Davison: Mr. Speaker, I have a question of the Provincial Secretary for Justice. In view of the Minister of Health's statements of March 29 that the patient should know in advance if an additional charge is to be made by a physician, and if the patient is not so informed the patient should not be obliged to pay that charge, and in view of the fact that collection agencies are now hounding citizens in Ontario to pay such bills, will the Provincial Secretary for Justice please inform all the collection agencies in the province of Ontario that it is government policy that they are not—repeat not—to attempt to collect from any health care consumer a surcharge levied by an opted-out doctor unless that doctor has informed the patient in advance?

Hon. Mr. Walker: Mr. Speaker, that's not a question I'm prepared to answer. I would suggest it be dealt with by the Minister of Health.

Mr. M. N. Davison: Mr. Speaker, if I may ask a supplementary to the super minister who is supposed to be in charge of consumer protection, but who appears to throw consumers to the Minister of Health instead, would he or his subordinate minister, the Minister of Consumer and Commercial Relations (Mr. Drea), at least take some action to make sure that no consumer in the province of Ontario who is caught in such a position will adversely have his credit rating affected by such a thing, when he is simply following the advice of the Minister of Health?

Hon. Mr. Walker: Mr. Speaker, the Minister of Health dealt with that the other day and we will be guided by his direction.

BURNING OF PCBs

Mr. Kennedy: Mr. Speaker, I have a three-part question of the Minister of the Environment.

First, does the minister know as yet the date of the court hearing with respect to the Mississauga bylaw which bans the burning of PCBs? Second, would the minister confirm there won't be any burning until this legal matter is settled?

Finally, in the light of our discussions over the last six to eight months, and the liaison committees that are in place, and representations by people in the area and ratepayer groups, would the minister ensure that regardless of the two foregoing points, there will be no burn until there has been ample opportunity for discussion with these groups to hear their opinions and expressions with respect to this very important sensitive and controversial issue?

Hon. Mr. Parrott: As of yesterday, I wasn't aware a date had been set to finalize this, but I hope it will be soon. I can inform the member on a day-to-day basis. There is no doubt we will not proceed until that question has been addressed in the courts and finalized.

On the third part of the question, the words "ample time" give me a little difficulty in responding, for this reason: I know we have a liaison committee which has met many times. I have made a commitment that it will continue to meet as I think it is important that it does. However, for it to go on indefinitely might be more than I can promise. Certainly that committee will continue to meet and receive the views of the residents, I think that is awfully important.

As the member knows, I have met with the committee on one or two occasions, and I am prepared to do all of that. I think it is important in the process that we do try to get all that information out. I would say if this should go on for another six or eight months, then that is a time limit beyond which I think discussions would not be fruitful.

Mr. Kennedy: Supplementary: As the minister knows, there are 14 ratepayer groups with an umbrella organization over the whole 14, and we met with Mr. Clarkson and Mr. Carroll.

Would the minister give that group a chance to make a presentation to the minister and his technicians to discuss the matters of storage, transportation and handling, whether the TAAGA 3000 is ready; and these concerns that aren't now known generally to the people in the community? We would like to have them informed before any further action is taken in any direction. This process wouldn't take eight months provided we can get the co-operation of this group, which I know we can because we have been getting it.

Mr. Wildman: If you already know, why are you asking?

Hon. Mr. Parrott: I understand we had some of those items for discussion on an agenda of that committee but they ran out of time—I think it was near midnight when the committee adjourned—and they are to reconvene that meeting. As much as it is humanly possible to do so, we will try to give all that information to the committee and to the various ratepayer groups prior to a burn, yes.

Mr. Kerrio: Supplementary. Is the minister satisfied that with the technology available PCBs can be burned at Mississauga and sufficiently high temperatures attained to do it safely? Does he have that kind of information yet? If he doesn't when will he share it with the House?

Hon. Mr. Parrott: I am really pleased that question should come forward, Mr. Speaker. In my personal opinion, from what I have been able to read and be briefed on, there is no doubt it can be done. However, the purpose of the test burn is to share with the people of Ontario precisely that information. We're not asking for permission to burn PCBs; we're asking for permission to prove or disprove the safety of burning PCBs, and that will hinge on that test burn.

We believe it's a terrible significant event in the final solution to this problem. I have to accept the reality of the situation that if it fails—in other words, if the safety is not proven—we have a very serious problem. I hope it will prove safe, but we're conducting the tests strictly on the basis of trying to find out one thing: can they be destroyed permanently and safely? I hope the answer is yes. I think it is.

HUNTING LEGISLATION

Mr. Ruston: A question of the Minister of Natural Resources: Is the minister considering amending the Game and Fish Act to allow municipalities more autonomy, particularly where local conditions may require shorter seasons or temporary suspension of hunting activities to allow game to regenerate?

Hon. Mr. Auld: Mr. Speaker, in connection with municipalities and game, the only things we're working on at the moment are revisions in the fees they charge for licences for things like pheasants that they propagate themselves. As the honourable member knows, in many cases, if not all, we consult with the municipalities—the counties generally—in terms of season times and we are rarely in disagreement.

If there is a specific area about which the member is concerned, I would be delighted to look into it for him. But without giving it great thought, it would seem to me we could get into a pretty complicated and fragmented operation if different people were setting different seasons all over the province.

Mr. Ruston: Supplementary, Mr. Speaker: The minister's regulations now require that a municipality sell at least 200 non-resident licences. If they do not, the municipality is automatically open to everyone. It's just not feasible in a semi-builtup area and we have many of them in southern Ontario. Would the minister agree?

Hon. Mr. Auld: I will pursue it and I will be back.

Mr. O'Neil: Mr. Speaker, I wonder if the minister could confirm or deny statements that have been made that some of the provincial parks may be opened up for hunting.

Hon. Mr. Auld: I can confirm that some have been—

Mr. Conway: That would be like the good old days.

Hon. Mr. Auld: —some are still closed and some are now open for possession of firearms, but not hunting, because of hunting areas nearby.

PRICING OF BILL COPIES

Hon. Mr. Elgie: Mr. Speaker, several days ago the member for Cambridge inquired

about the differential price for the French and English editions of Bill 70 in the government bookstore. To adequately answer his question I must provide a bit of information about the practice normally followed in the printing of bills.

Bills that are sold in the bookstore in the same format as all members receive them are ordered for the bookstore and the government publication centre as additional quantities to the normal legislative printing contracts. As a result, there are no special typesetting or binding requirements for these bills.

However, bills also exist and are sold in what's called the office consolidation form with covers, marginal references and, if necessary, indices, cautionary notes and other things. These additions and resulting obvious typesetting and binding charges are reflected in the selling price of this office consolidation bill.

Bill 70, as it is currently sold in English in the government bookstore, is available in what I have called the bill format, just as the member and I saw it here at the time of printing, while the French translation is in the office consolidation form. Thus there's a difference in price for that very reason.

I should also note that there's a price differential between bills and office consolidations that are for sale even if they were just in English. In other words, the bill would have been the same price and the office consolidation would have been the higher price in English alone.

The price of a bill is based on a standard scale that relates to the number of pages in the bill, while the price of an office consolidation is based on the cost of producing that consolidation. I should note that these costs do not include any translation costs incurred and thus translation costs are certainly not absorbed by the purchaser of the office consolidation.

Further, the member asked when the regulations for Bill 70 would be available in French. As he is no doubt aware, Bill 70 received third reading on December 15, 1978, and was proclaimed on October 1. The French version of the bill, in its consolidated form, became available in May 1979. The regulations under Bill 70 have only recently been finalized and were published in the Ontario Gazette of September 29, 1979. I can assure the member that the regulations will be and are being translated into French, but I can't give him a precise date when that translation will be completed. However, in the meantime excerpts from the bill have been produced in several languages for posting in work places.

Finally, I am sure that the member will be interested in knowing that the office consolidation of Bill 70 and its regulations in English is currently in production and should be available in the book store in three parts next month.

Mr. M. Davidson: A supplementary, Mr. Speaker: I don't know. I looked very closely at those bills and the only thing that I saw that was any different was one had a red cover on which is about a quarter cent piece of cardboard with a little typing on it.

Regardless of the number of pages, does the minister not believe that we in this province should be providing to the working people in this province pieces of legislation passed in this House at the same price no matter whether it be in English or in French?

Hon. Mr. Elgie: Mr. Speaker, the member must have misunderstood.

Mr. Kerrio: How about putting it on the Half-Back program?

Hon. Mr. Elgie: I made it very clear that the office consolidations, which will be sold in the book store in English and French, will be the same price. It happens that the bill, arising out of the bill that was passed in this Legislature, was offered in English at a lower price because it was already set and typed for this Legislature's purposes. So there is no suggestion of any differential in the price, or any unwillingness to provide it in both languages.

AMBULANCE SERVICES

Mr. Sweeney: I have a question of the Minister of Health, Mr. Speaker. Given that the Kitchener-Waterloo ambulance strike has now been going on for eight weeks, and given that we now have documented cases of near fatalities—as a matter of fact the manager of the hospital says it's only by a healthy dose of good luck that we haven't had one—does he have any plan, any action to facilitate a settlement of this strike?

Hon. Mr. Timbrell: Mr. Speaker, I am pleased to say that whatever reports the member has had to make, that kind of a statement is not based on fact.

We are monitoring the situation on a daily basis. Services are available to assist in emergencies from surrounding ambulance services under the terms of the Ambulance Act and all the reports I've had to date indicate that the labour-management dispute to date has not inconvenienced—sorry, there's no question it would inconvenience some people, especi-

ally with transfers—it has not put at risk the life or limb of any people. We have been able to keep up responses to emergencies. At this time there is no plan to intervene in the dispute.

[3:30]

Mr. Sweeney: Supplementary: Given that the operators of the service have indicated they're going to bring in strikebreakers; and given that the leader of the union there says there's no way that this will be negotiated—it's gone too far—is the minister not concerned that we're facing a confrontation situation in the provision of health services that could be very dangerous?

Hon. Mr. Timbrell: I've had no indication of the kind of things the honourable member says. I suspect that kind of an allegation perhaps does contribute to the kind of situation he's suggesting we should try to avoid. My concern is that true emergencies be dealt with as well as possible and that the life and limb of any individual in that area is not put at risk. I'm satisfied with the reports I've had on a daily basis from my ambulance branch—

Mr. Swart: You're satisfied with anything in the health field.

Hon. Mr. Timbrell: —that with the assistance of the surrounding ambulance services we are able to continue to meet the emergencies.

There no question that people involved in routine transfers are being inconvenienced. They're having to make any number of alternative arrangements, through family and friends, taxicabs—whatever. That's an unfortunate aspect. In terms of true emergencies, my advice is that we are keeping up with the demands and the needs in that community.

Mr. Breithaupt: Supplementary: Since the term "healthy dose of luck" is ascribed to the executive director of the hospital and since I have an example of a 91-year-old lady who was very much confused because of the difficulties of the transfers—and I realize routine transfers are a problem—would the minister not agree that since eight weeks have gone by now that the strike has been on, and since according to a recent press comment there apparently has not been any further discussion since a 30-minute session on October 4, a month ago, can the minister advise what involvement his ministry would have to encourage negotiation to proceed, with the hope that if the parties are at least discussing their differences there might be the opportunity for settlement?

I'm sure my colleagues in the area—

Mr. Speaker: A little crisper, please.

Mr. Breithaupt: —are all deeply concerned.

Hon. Mr. Timbrell: The honourable member will understand that we are, of course, reliant upon the assistance of the Ministry of Labour to keep the parties talking. I'm assured that is happening. They are doing everything possible under their authority to effect that. The member may want to ask the Minister of Labour about the involvement of his ministry.

My responsibility under the Ambulance Act is to ensure that we do have a capacity to meet the true emergencies. Members may be interested to know I'm told that only about 30 per cent of the calls an ambulance service receives are actually emergencies, which is an interesting statistic in itself. Our responsibility is to make sure they are met. Fortunately, as I say, the regular reports I've had are that with the assistance of the surrounding services around the member's region we are able to do that.

LABOUR RELATIONS: ELECTRONIC SURVEILLANCE

Mr. Mackenzie: I have a question of the Minister of Labour. Given the controversy that's raged over the last few weeks at York Steel, can the minister tell us why sections 56 and 58 of the Labour Relations Act, which prohibit employer interference with the workers' right to organize a union of their choice, are disregarded or defied with such impunity?

Is he aware of the deliberate attempt by management to impede and deny the right to organize through anti-union leaflets, anti-union notices—of which I have some here attached and stapled to employees' punch cards—through arrests for petty trespassing of those trying to organize, and through the use of Cavalier Intelligence and Protective Services Limited, Mr. Jack MacDonald's legions, currently of Radio Shack infamy?

Hon. Mr. Elgie: No, I wasn't aware of the information the member tells me, but he knows and I know there are avenues for redress within the Labour Relations Act for inappropriate activities.

Mr. Cassidy: They don't work.

Hon. Mr. Elgie: Yes, they do work. At the present time, as the member knows, in the area of certification there are two criminal charges before the courts. I'd be interested in receiving the information he has.

Mr. Cassidy: So is York Steel.

Mr. Lupusella: Supplementary: Is the minister also aware of the constant use in the

same plant of electronic surveillance upon the workers for 60 hours a week and the presence of security guards as a means of intimidation? Will the minister intervene immediately to end this type of police state at the plant which interferes with the workers' rights to organize a union of their choice?

Finally, when will the minister be able to introduce legislation to control the electronic surveillance, now that the discussion paper on the subject has been released by the ministry?

Hon. Mr. Elgie: To date, we have received several responses to the discussion paper, some of which came from members. The comments have been very good comments and have seen the paper as a good review of the problem.

As a result of the review process that is going on, I would expect consideration will be given to legislation because, as the member knows very well, I share his concerns about oppressive surveillance and the dehumanizing aspect it can produce in certain situations.

Mr. Warner: Do something then.

Hon. Mr. Elgie: As far as that is concerned, I think we will have to await that review process.

EMPLOYMENT DEVELOPMENT FUND GRANTS

Mr. Bradley: In the absence of the Minister of Industry and Tourism (Mr. Grossman) and the Premier (Mr. Davis), I will direct this question to the Deputy Premier.

Since a number of employees of firms which have received assistance from the Employment Development Fund have expressed concern that these funds might be used to transfer job opportunities from one area of the province to the other, would the Deputy Premier undertake to request that the Minister of Industry and Tourism table forthwith in the House the agreements between the Employment Development Fund officials and the companies which are receiving the grants to allay these fears that have been expressed to me?

Hon. Mr. Welch: I am sure my colleague from St. Catharines would understand that I couldn't make an undertaking such as that. However, I would be very happy to draw his concerns to the attention of the Minister of Industry and Tourism.

Mr. Bradley: Supplementary: In view of the fact that the member for London Centre (Mr. Peterson) asked this same question on June 5, 1979, and that the first two words of the answers from the Minister of Industry and Tourism were "very shortly," would he not agree it would be appropriate for the minister to table these as soon as possible in the House?

Hon. Mr. Welch: I am not sure whether the minister was talking about his height or about the answer. However, I will draw that to his attention as well.

REPORTS

STANDING RESOURCES DEVELOPMENT COMMITTEE

Mr. Villeneuve from the standing resources development committee reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of the Environment be granted to Her Majesty for the fiscal year ending March 31, 1980:

Ministry administration program, $6,815,-200; environmental assessment and planning program, $18,978,000; environmental control program, $243,600,000; and waste management program, $13,896,000.

STANDING GENERAL GOVERNMENT COMMITTEE

Mr. McCaffrey from the standing general government committee presented the committee's report and moved its adoption.

Your committee begs to report the following bill without amendment:

Bill Pr10, An Act respecting the City of Hamilton;

Your committee begs to report the following bill with certain amendments:

Bill Pr8, An Act respecting the City of Hamilton.

Motion agreed to.

Mr. McCaffrey from the standing general government committee presented the following resolution:

That supply in the following amount and to defray the expenses of the office of the provincial Auditor be granted to Her Majesty for the fiscal year ending March 31, 1980:

Administration of the Audit Act and statutory audits, $2,360,000.

STANDING ADMINISTRATION OF JUSTICE COMMITTEE

Mr. Philip from the standing administration of justice committee reported the following resolution:

That supply in the following amounts to defray the expenses of the Ministry of Consumer and Commercial Relations be granted

to Her Majesty for the fiscal year ending March 31, 1980:

Ministry administration program, $4,972,000; commercial standards program, $11,700,000; technical standards program, $6,748,000; public entertainment standards, $8,703,000; property rights program, $19,855,000; registrar general program, $3,270,000; liquor licence program, $6,838,000; and rent review program, $1,821,000.

STANDING MEMBERS' SERVICES COMMITTEE

Mrs. Campbell from the standing members' services committee presented the committee's report and moved its adoption.

Your committee having met to review the provisions of messenger services to members of the Legislative Assembly recommends that the services of the sessional attendants available to each party caucus be maintained throughout the year.

Mrs. Campbell: Mr. Speaker, may I speak briefly to this motion? I would just like to explain that the committee was of the opinion that in view of the fact that more and more members are sitting more and more frequently during the off season, it is important that such services be available to them and any existing services have been found to be inadequate.

On motion by Mrs. Campbell, the debate was adjourned.

INTRODUCTION OF BILLS

CO-OPERATORS LIFE INSURANCE ASSOCIATION ACT

Mr. Lane moved first reading of Bill Pr24, An Act respecting Co-operators Life Insurance Association.

Motion agreed to.

FAMILY LAW REFORM AMENDMENT ACT

Mr. Breithaupt moved first reading of Bill 159, An Act to amend the Family Law Reform Act, 1978.

Motion agreed to.

Mr. Breithaupt: Mr. Speaker, the purpose of this bill is to clarify that a parent may obtain enforcement of an order for support of a dependent child under section 27 of the act. I will be taking my private member's opportunity on November 22, to have the House debate this bill.

CITY OF WINDSOR ACT

Mr. B. Newman moved first reading of Bill Pr27, An Act respecting the city of Windsor.

Motion agreed to.

ASSUMPTION CHURCH CEMETERY ACT

Mr. Bounsall moved first reading of Bill Pr29, An Act respecting the Assumption Church Cemetery.

Motion agreed to.

HONING CORPORATION LIMITED ACT

Mr. Cunningham moved first reading of Bill Pr23, An Act to revive Honing Corporation Limited.

Motion agreed to.

[3:45]

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, before the orders of the day, I wish to table the interim answers to questions 308, 311, 316 and 321 and the answers to questions 304, 305, 306, 310, 314, 315, 317, 319, 322 and 323 standing on the Order Paper. (See appendix, page 4083.)

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

GOVERNMENT PURCHASING

Mr. Jones moved resolution 32:

That in the opinion of this House the government consider adopting a procedure of payment to suppliers to the government of goods and services of a value of $100 or less whereby the government enclose an executed blank cheque with the purchase order to the supplier.

Mr. Speaker: The honourable member has up to 20 minutes and if he wishes to reserve any of it for a response, he can notify the table. The honourable member.

Mr. Jones: Thank you, Mr. Speaker. I would like to reserve five minutes at the end of my comments and the comments of the others in joining the debate, so as to sum up what I feel to be an important issue and particularly today.

We have all heard, in recent days in this House, comments and concern from all parties as to the effect of interest rates—to name but one factor that is having a very considerable impact on small business and small merchants, that is making things increasingly difficult for them to carry on their

accounts receivable, and the cash flow that's so vital to them.

So, Mr. Speaker, it caused me to turn to the fact that the operations of government necessitates, as we all know, many small purchases. As an example of that—March 31, 1978—as one looks at the public accounts, one sees that no less than some $248 million were spent on supplies and equipment by individual ministries, some of which were in the $10 million and $20 million range. Of that approximately a half of the million invoice-oriented payments processed annually by this government involved purchases for a few hundred dollars or less. It occurs to me, Mr. Speaker, that governments have to recommit themselves in today's climate to promoting the interest of the private sector, and particularly small business.

I am mindful the House has dealt recently with this philosophy, but today in this resolution I would like to put a specific proposal where this government could have what is considered by a lot of small businesses across this whole province to be of considerable assistance to them, particularly in this climate today.

I know that our Premier expressed opinions recently, as we looked into the 1980s at a recent conference that our party held. He said in his remarks, "I want a province where moneys that fuel our economy are left in the hands of the individual wage and salary earner, and in the hands of small businessmen and investors and the farmer, to use as they see fit to build their own lives and thereby to build our province."

I can only endorse those ideas, and I am certain that philosophy is shared by the great majority of this House. It is in that spirit I propose this resolution today and ask for the support of the House.

This resolution, as it says, is concerned with the payment procedures as they apply to supply contracts of a value of $100 or less. These invoices I was mentioning and the cheques that flow from them tie up a large chunk of time and add to the considerable paper burden we have been trying so hard to reduce in recent years. I am not at all sure it is necessary for this to be the case. Payment by postdated cheque has become a fairly common business practice.

We have all been in the situation where, on the basis of trust, a cheque is issued that leaves the amount blank and that specifies it is not to exceed so many dollars. This is similar in conception to the practice I am proposing today. In fact, it is a procedure to which other jurisdictions in North America and beyond have recently turned. It has been, of course, instituted in many corporations, both large and small, with considerable effect.

I want first to outline briefly our payment procedures as they now exist. The processing of payments is one of the more fragmented of all elements in purchasing. I am speaking in the context of this government, of course. Usually, a single payment will cross several hands and involve actions by the user ministry, the Ministry of Treasury and Economics and the Ministry of Government Services.

When an invoice is received, the ministry staff must first match it with the purchase order. Then they check that the goods have been received, verify the price is as agreed and all conditions have been met. The invoice must then be approved, and all steps must be taken and recorded, and then of course the invoice is sent in most cases, or many cases, to the ministry's head office which is so often in Toronto.

I would ask the members to remember—and I am sure most of them realize this—many of these small purchases will be made at a branch office, at that level. In turn there will be a whole process as they come down through to Toronto, and back and forth across the distance that is part of Ontario.

Mr. Wildman: What happens if the goods are damaged?

Mr. Jones: The ministry head office will assemble the record, all its invoices, possibly recheck them, and then approve the expenditure. This information then, as I say, would be sent to the Ministry of Treasury and Economics where the expenditure is considered in the light of the estimates. The cheque is authorized to be issued, and usually, the Ministry of Government Services does so. Finally, the cheques are mailed and a copy of the remittance is filed.

As you can see from this process, the payment cycle may involve several different people, several mailings, both internal and external, and many different functions.

This procedure is certainly necessary for large invoices. Is it really necessary or desirable for purchases of a few hundred dollars or less?

Mr. Wildman: Yep.

Mr. Jones: The member says, "Yep." Is that a suspicion of the small businesses that for the most part are involved in these invoices under $100? I don't think the small businessmen of Sudbury are any different to small business across the whole of this province. They work in an environment of trust and we certainly found that on this side of the House as we worked out programs with

them. They have an investment. They are taxpayers, so they are clients as well as suppliers in most cases.

Mr. Wildman: COD.

Mr. Jones: I believe this proposal could help us in these situations to proceed with a greater efficiency.

I don't wish to have it misunderstood or to imply our government or the public servants who operate within this government do so in an inefficient manner, but I am just saying this government in itself, by its very nature, is large. In fact, it is a multibillion-dollar operation, and as such, I suppose, it makes an easy target for criticism. I do believe we must look at this with some detachment and some kind of perspective, because we are dealing in public funds and we have to have some safeguards in that system.

Someone may charge, and I hear a rumble over there from Sudbury, that the people will cheat on the amount they insert on the blank cheque they receive before they even deliver the goods. But the experience of the many companies using the system I propose is based on trust of the suppliers. It has proved successful. There's very little likelihood of a person trying to cheat in this system.

Mr. Ziemba: Would you do that?

Mr. Jones: Yes, as a matter as fact we do. In one business where I had the privilege of being part of the founding, as it happens we do indeed issue a blank cheque to expedite small claims in an insurance climate.

I can remember in the select committee that all members did propose one appraisal form, and appraisal centres came from that. Rather than putting people to the inconvenience and expense of going from one body shop to another for appraisals and eventually submitting three and having them checked, one is made up.

Please remember that's happening across the province. It was demanded by the Legislature that members of that committee cut out a lot of waste and add convenience to the consumers of the province. It's actually happening now. So of course there are a lot of examples.

I think we would find that most people like to support a system of this nature because they appreciate saving taxpayers' dollars and their own money on that paperwork. The businessmen that are the suppliers in this case recognize savings and do support such a case.

People do feel good about being trusted. I hear the members' giggles. I heard those giggles when we proposed the Ontario Youth Employment Program. It has since gone on to serve, by and large, the small business community of this province.

The members have always claimed, certainly in campaign rhetoric, that they support small business. They are the largest users of that program. It was a big success again this year. Small business and farmers by and large take advantage of that program. It has been a tremendous success with 44,000 young people working under it, 23 per cent of them going on into permanent jobs. It was something addressed in the question period of this Legislature earlier on this afternoon. Those are absolute facts. That was because we did what we proposed to do in that legislation; we did trust the private sector and didn't tie it up in red tape as other programs in other areas have. Red tape is detrimental and those other programs weren't as successful as OYEP.

Mr. Speaker, this resolution embodies this government's desire for satisfactory customer service of its own customers, and so set an example for the rest of the community. Maintaining working capital in good order is a problem of small business. If we espouse to support them in these particularly troubled times we need specific proposals to assist them.

It is not really necessary that we limit this amount to $100, as stated in this resolution. It may well be that another figure of perhaps $200 is more appropriate and may work better and even serve a broader sense of efficiency.

Mr. Wildman: Like $500,000.

Mr. Jones: But regardless of what this amount is, it is my feeling small business would welcome this proposal, since it goes a long way to satisfying some of their concerns about dealing with government. I hope the members of the opposition party will agree and support this resolution. I think it is justified on the significant savings it would represent in paper alone.

It goes without saying that small business is vital to growth. We have to support and protect its interests. We know small businesses become large businesses. They provide the advantage of interfacing with larger suppliers. We read recently here an article by John Meyer. As a former proposer of bills and resolutions, the member for Victoria-Haliburton (Mr. Eakins) should know of the interest of small businesses.

[4:00]

John Meyer wrote recently in the Metropolitan Toronto Business Journal, the journal of the Board of Trade of Metropolitan Toronto, September issue, "Small businesses are emerg-

ing at an accelerating rate, providing new goods and services and providing more efficient delivery of conventional goods and services."

In addition he wrote, "They are vital to economic growth as a future replacement for traditional businesses whose time has passed, or as seed-beds for new technology or even as the agencies by which to keep the competition between larger businesses honest." And we know that to be true, those of us who have been involved in private-sector small business.

I believe we cannot ignore any possible step we might take to promote the viability of our small business enterprises. Many of the important innovations we have come to take for granted arose from those situations where someone was working on his own, or with a few others, possibly trying to develop a promising product line or perfect an invention. There may be some truth to the notion that most of our really creative enterprises tend to be in that area of small business.

It is within the spirit of the foregoing that I believe with all the rapid technology, much of it starting with small business, we have to be watchful and supportive of the small and medium-size enterprises. We have that opportunity, as so many of them interface with government in their purchasing, to stimulate and assist them at this time with the capacity for some innovation of our own, to seize an opportunity to assist them.

This government has a large number of high-calibre programs in operation to help the business community. Many of us are familiar with them. There have been the recent tax initiatives out of the last budget. We managed to change the Venture Investment Corporation Act last year. We have entrepreneur and innovative centres at work, and some advisory capacity from the Ministry of Industry and Tourism working on equity advice, debt capital, et cetera. We have consultation services, overseas trading offices and so forth.

I am today proposing this resolution, which I hope members opposite will support in the spirit in which it is offered. Let us not lose the opportunity. I urge this House to vote for the adoption of this resolution to help cut down our own costs and paperwork and help our suppliers maintain financial viability by sending these payment voucher forms forward with the orders for under $100, without the step of invoice-processing, negotiable upon satisfactory receipt of goods or services so ordered. I believe we would be performing a very real service to a very vital part of our society, namely, our small businesses. So I ask members not to attach suspicion where it ought not to be attached—

Mr. Wildman: Put the question.

Mr. Jones: —and I urge the House to support the resolution.

Mr. Deputy Speaker: The honourable member has four minutes remaining.

Mr. Jones: Thank you.

Mr. Ruston: Mr. Speaker, I don't know if you are aware of the fact, but it is 36 years and 87 days since the Progressive Conservative Party was elected to power in Ontario. And today they bring in a resolution of this calibre. I must say that after 36 years and 87 days I am a little disappointed.

It seems strange we would debate a motion of this type. I am not against paying bills on time or against something that would simplify the paying of bills, but to think a government could be in power so long and have to bring in such a resolution—I think the member would be doing more good if he were to do something with regard to the way the Workmen's Compensation Board pays some of its claims. People can be in dire straits and not get a claim through.

The member might even do away with the Ontario Institute for Studies in Education and save the taxpayers millions of dollars, as the former Treasurer recommended not too long ago. That would be a good resolution.

The government could have supported my resolution of June 21, 1979, for doctors to be paid at least 30 days and not sometimes have them wait 90 days. In Saskatchewan the doctors get paid every 15 days.

Mr. Wildman: Good government in Saskatchewan.

Mr. Ruston: There are a lot of things the government could do, if it wanted to bring in something worthwhile.

This resolution might save a fair amount of paper work, I'm not worried that the gist of it is satisfactory. The problem I can see with it is if the government sends an order for so many cartons of this and so many cartons of that and it comes to under $100 and the supplier doesn't have the full amount of the order, does he fill out the cheque for the full amount of what the order is for, or does he just fill out the cheque for the amount he is sending and the rest is on back order?

Mr. Bradley: Government by blank cheque.

Mr. Ruston: That's a possibility that could very well happen. I understood there are a few places in the global network of the United States and Canada that have a similar method of payment, but this is one of the

problems they have run across, the back-ordering and how to handle it. You are trying to save paperwork but if you have a back-order situation it could be you will be spending as much time making sure all the merchandise has been ordered and all the merchandise has been received. There could be some problems.

It just shows it is a tired old government. We have no one to blame but ourselves, all of us in Ontario. We have let them sit over there and they have kept withering away. We can see that the withering is pretty well done, because they've lost all their initiative and just don't know what to do.

The member who brought in this resolution is young and aggressive and is looking for a higher place in that side of government, but I think he's working for a tired old government that is not going to go very far. If the payment of bills is so bad, as I assume it must be, that he has to bring in this resolution, I must say that things are getting pretty bad.

I would have no objection to supporting the resolution. I was just advised that one of my colleagues wishes to speak on this. I had some remarks here, but I'm going to let him speak.

Mr. Ziemba: I'm amazed that a member of the free-enterprise party, the Conservative Party, would bring in such a resolution. It's totally irresponsible; not only totally irresponsible, but bad business. This will go down in the history of the Ontario debates as the carte blanche resolution. That is, send out taxpayers' money with a blank cheque and let the suppliers fill out their own blank cheque.

You talk about $100, and you're willing to amend that. How high up will you be prepared to amend it? What will be the ceiling you'll trust suppliers with? Half a million dollars?

Mr. Jones: You don't trust these small-business suppliers?

Mr. Ziemba: I'm surprised to hear the member for Mississauga North, who is a small business man himself, bring such an irresponsible resolution before this House for consideration.

If he were talking about bringing in something that would help small business, we could support it, as we have in the past. It's too bad the member for Victoria-Haliburton (Mr. Eakins) has left the House; he brought forward a small-business bill that all members of the House supported. Whatever happened to that bill? That had some meaning to it, but this legislation is just chicken feed. It's penny ante; it doesn't amount to much.

By bringing it in, what the government is admitting to us and to the people out there is that the Tory government is a bad credit risk. It's so damned slow in paying its bills, it's become a problem and it's willing to send out blank cheques to try to get around that. Why doesn't the government pay its bills on time?

This is going to come as a real jolt to the business community. Up until now there have been rumours about how inefficient the government was and how slow it was in paying its bills, but now it has stood up and admitted it. The government has admitted it is a bad risk.

Mr. Jones: We never said we were a bad risk.

Mr. Ziemba: I'm just flabbergasted that this government has allowed such a resolution to surface. You talk about the public relations out there, Mr. Speaker. People are now going to be very concerned about even dealing with the government.

Mr. Ruston: The Minister of Government Services (Mr. Wiseman) isn't even in the House.

Mr. Ziemba: Shame.

Mr. Jones: He's around.

Mr. Ziemba: Another thing, Mr. Speaker, there are four Tory members. They're outnumbered.

Mr. Jones: No, they aren't.

Mr. Ziemba: Obviously it shows that the member's colleagues are so ashamed of this resolution they can't even sit around to listen to the debate.

We've had all kinds of resolutions or bills about small business go through this House. Every time one of them goes through I get phone calls. I'm sure other members do too. They say, "How does this apply to me? I've got a small business, how do I get anything out of this small business development corporation?"

Over the past four years there is not one businessman I could tell that, somehow, this new government bill would apply to them. There wasn't anything in it for them. It's all propaganda that comes out of here.

Mr. Jones: Here the member has the figures. It's 50 per cent of all those who claim it.

Mr. Ziemba: It turns out that the big corporations are using it to buy up smaller businesses and only the people who have the money to speculate are able to take advant-

age of the $300 tax kickback that goes along with it.

This bill is neither fish nor fowl. It's not going to help the small businessman. If anything, it's going to hurt the government because, as I say, it's an admission that this government is a bad credit risk.

The other bill that we debated last year—the member for Victoria-Haliburton is back in his place—was supported by all three parties in the House. I remember the intense lobbying that went on at the time. I had business friends phoning me all hours of the day and night. They were saying, "Please, you've got to support this bill. It means so much to us."

Mr. Wildman: Nothing much has happened with it, though.

Mr. Ziemba: It was such a motherhood bill that we all supported it. We were all so happy to see it pass second reading. Finally, what happened to it? Nothing. It was buried.

What about the Canadian Federation of Independent Business? They sent out propaganda to all businesses, to 60,000 members. They said, "We finally got something through for you small businessmen. Aren't you happy that you pay your dues every year? Look at this. We supported the member for Victoria-Haliburton's bill. We got it through." Whatever happened to that bill? Not a darn thing happened. This government then comes in with this phoney little resolution.

The state of small business is very precarious these days, Mr. Speaker. That's a shame because there are more jobs created in the small-business sector than in any other.

Mr. Jones: That's what we want to preserve and build on.

Mr. Ziemba: One of the reasons is the high interest rates. No business can survive today borrowing money at 15.5 per cent.

Mr. Wildman: Bring the bill to third reading.

Mr. Ziemba: In the old days, 20 years ago, you could get money reasonably, but ever since then it's been getting higher and higher. These days the numbers of bankruptcies are going up and I predict that there's going to be an awful lot of panic selling this Christmas, or shortly after. Businessmen will want to clear their shelves because they can't hold on to merchandise and because it's costing them 15.5 per cent to hang on to it.

Mr. Wildman: The Tory government in Ottawa is responsible for that.

Mr. Ziemba: We see a trend that is encouraged by this government towards monopoly control. Look at the corner drugstores. Whatever happened to the corner drugstore? It's gone the way of the corner grocery store. Their numbers have been cut in half over the past 10 years.

Again, there is a 50 per cent reduction in gas stations. Why is that? We're told, first of all, that there are economies of scale involved. If you have a self-service station and have a high volume you can cut down on the cost and sell cheaper. You can, for a time, until you squeeze out your competitor and then the prices go back up. Now they've squeezed out all the corner gas stations.

I've got eight fewer gas stations in my riding—it's not a very big riding—but that is eight fewer gas stations and each one of them employed three or four people. All those jobs are lost and, now, customers have to go to self-serve stations. Most of them don't bother checking their battery or their oil. Engine repairs are more costly as a result. People aren't being served well.

And, what has happened to the price of gasoline? It's gone right through the roof. It's gone to over a buck a gallon whereas before a lower price was held out as a carrot to get us to go along with the self-serve gas stations.

I guess this party pushed more than the other two for Sunday closing of stores. It was a real problem back in 1975 because the large chains were open on Sundays. It became a problem both from the customers' point of view and the workers' point of view. Neither organized nor unorganized workers liked to work on Sundays. They wanted a day of rest and this government brought in a bill that this and the other parties supported to provide that day of rest. We see that bill being undermined by the municipality of Metropolitan Toronto. Mayor Mel Lastman unfortunately, has gone on record as supporting wide-open Sunday selling.

Mr. Deputy Speaker: Order. I wonder if the honourable member would relate his remarks to the resolution.

Mr. Ziemba: Yes, you're absolutely right, Mr. Speaker. I've got all kinds of great ideas for small businessmen.

[4:15]

Mr. Jones: Oh, you have? We hadn't noticed.

Mr. Ziemba: It's just sad that we've got $200 million for big business, for corporations that don't need it. They get our money and then they thumb their noses at us. What is the small businessman going to get? A blank cheque for up to $100. As the previous speaker pointed out, what happens when there's a back-order or perhaps two back-

orders, as is often the case? What an incredible backlog of paperwork the member is going to create with his resolution.

What is he going to have? Half a dozen blank cheques going out with each order in case it isn't filled at the time it is placed? I think this resolution is totally irresponsible. It's not only bad business practice, but it's an admission on the part of the government that they are poor payers.

Mr. J. Johnson: Mr. Speaker, I'm very pleased to have the opportunity to participate in this debate today and to speak in support of the resolution put forth by the member for Mississauga North. I would just question the member for High Park-Swansea. He seems to be opposed to everything that we introduce on this side of the House in support of small business and then he pretends that he's such a strong supporter of the business community. When we introduce some legislation, they say it isn't any good and if we don't introduce anything, the same thing applies.

Mr. Ziemba: What happened to the bill introduced by the member for Victoria-Haliburton? Where is it?

Mr. J. Johnson: I think he should accept the fact that once in a while we come forth with a good idea and support it in principle. This resolution will certainly benefit the small-business community that deals with the government and it may even have an impact beyond that. Every farmer, retailer or manufacturer who deals with government agencies will have some of their accounts, if not all of them, paid in cash instead of 30 or 60 days as is the case now.

This resolution might have an impact beyond government purchases and cash payments. What I mean by this is that perhaps other companies and individuals might follow the example of the government and return to the almost forgotten method of paying accounts with cash. Today our society has developed a philosophy of paying for everything possible on easy-to-obtain but hard-to-repay credit. This resolution is a step back in the right direction—cash purchases.

I feel I can speak with authority on this resolution, which will be of assistance to the small business community, for several reasons. The first is personal experience. I've spent over a quarter of a century in small business and I think I know the problems of small business as well as anyone in this House. When I started in business many years ago, there was very little personal credit. Customers paid their accounts in cash or by cheque and merchants received 30, 60 or 90 days dating.

Mr. Wildman: COD.

Mr. J. Johnson: But today the tables have turned. Customers buy on credit and merchants have a maximum of 30 days dating. They can no longer afford to carry many accounts receivable, especially at the prohibitive interest rates in effect today.

Second, I served as president of my local businessmen's association and also as president of the chamber of commerce. Through my participation in these two organizations, I know the principles set out in this resolution will be strongly supported by these groups.

Third, having the privilege and honour to represent the great riding of Wellington-Dufferin-Peel, I represent 21 individual municipalities with hundreds of small business enterprises—farmers, retailers and small industries. I know that they too will welcome this resolution.

I contacted the general manager of the Retail Merchants Association of Canada (Ontario) Incorporated, John Gillespie, and requested his opinion of this resolution. Mr. Gillespie stated that he could speak for his association, which has 4,000 members. He stated quite clearly that he thought it was an excellent resolution and congratulated the member for Mississauga North for presenting this type of legislation.

I'd like to quote from Mr. Gillespie's letter, if I may. "Speaking on behalf of over 4,000 independent retailers in the province of Ontario, Mr. John Gillespie, president of the Retail Merchants Association of Canada (Ontario) strongly supports the resolution made in the House by Terry Jones, MPP for Mississauga North.

"The principle of enclosing a blank cheque with orders for $100 or less from the provincial government to independent retailers will most certainly be a boon to the smaller businessmen in the area of receivables. This system would assist the retailer in enhancing his cash flow and reducing costly receivables.

"The retail merchants' association endorses this resolution as a small but important step that the government of Ontario can take in easing the interest burden already unacceptable to the small retailer. With the current cost of borrowing money to cover inventory and receivables, many small businesses and their employees will just not survive."

Mr. Speaker, we hear a lot in this House about the minimum wage. What I like about this resolution is that it serves on behalf of a large and important group of hard-working people who often work 60 and 70 hours a

week for less than the minimum wage. I am talking about the self-employed, the men and women who run their own business with no employees, or perhaps two or three people working with them. These people are the backbone of this province's economy. They deserve every break this government can give them.

Mr. Speaker, the intent of this resolution is also in the spirit of the goal of deregulation.

Mr. Wildman: It sure is.

Mr. J. Johnson: This was introduced to this Legislature by the Provincial Secretary for Justice (Mr. Walker). I think this government has made significant progress toward that regard and I welcome a further step.

It is my understanding that an extremely high percentage of government purchase orders falls into the classification that would be covered by this resolution and half a million has been mentioned. If this is so, then think of the tremendous amount of paperwork that will be eliminated, not only for the suppliers, but also for the government. The dollars saved in paperwork will likely go a long way to pay for any lost interest to the government for what might be construed as prepayment to the suppliers.

I might just mention that the member for Mississauga South (Mr. Kennedy) has introduced a private member's resolution which will be debated in the near future. It deals also with this same problem. I believe it is item 33. It is a resolution that the government declare an annual small-business week in Ontario; the week to supplement and support the present small business activities that are ongoing throughout the year and to include seminars, information sessions, meeting with government, bankers, business consultants and to discuss other related matters that would assist both existing and potential small business in management, financing, production and marketing, as well as offering assistance towards increasing opportunities for small businesses.

In closing, may I say that in today's business field, with high interest, bureaucratic red tape and paperwork and postal service that is anything but efficient, I personally feel the resolution of the member for Mississauga North is a sign of a return to sanity. It deserves the support of every free-enterpriser in this House.

Mr. Eakins: I rise to speak briefly on this to this crowded chamber. I only hope the quorum bells don't ring before I finish.

I want to commend the honourable member for bringing forth his resolution and providing an opportunity for the members to discuss something which I believe is very important to us all; the need to look into and improve the small business sector of Ontario.

The honourable member has recognized that a problem does exist. I am sure we all agree there, not only for amounts under $100, but also for payments of much larger amounts to suppliers of services.

The introduction of this resolution should very well serve to make the government aware of the need for an all-over review; the need to speed up payments to the small-business sector; and the need to make more opportunities available for the small-business people to be able to bid and receive contracts and subcontracts for goods and services. Improvement in the processing of payment is long overdue.

With this consolidation we must also find a way to make sure many of these suppliers are paid when the contractor goes into bankruptcy and can't pay the local suppliers and yet a particular ministry has received the goods and services. Such has happened on a number of occasions in my riding. I want to point out that at Bark Lake in Haliburton county a contractor has gone into bankruptcy and many of the local people are waiting for payment for goods and services which they have already supplied. I don't think it fair that these people, who have a very limited income and limited opportunities for earning, should have to be left without any assurance they are going to be paid for the service they have already rendered.

Looking into this resolution today, I think this is one area for which we should perhaps say to the honourable member we should be looking at amounts over $100. I agree the resolution gives us the opportunity to put forth these remarks.

Mr. Wildman: Even Leo doesn't hand out blank cheques.

Mr. Eakins: I would suggest we should look into how we can better treat the people who have given these goods and services to the province of Ontario and to that particular ministry in good faith.

I believe what we require is a small business act for Ontario. The member for High Park-Swansea has spoken in this regard. Certainly, the content of this resolution could form a very valuable part of it.

You'll recall, Mr. Speaker, it was about two years ago when I introduced that small business act into this House.

Mr. Wildman: It takes a long time to get to third reading.

Mr. Eakins: It was supported very well by all members of the Legislature. I fully appre-

ciate there were some parts of that small business act that needed to be amended. I made those amendments in accordance with the comments made by the members of the House at that time and circulated them to all members. I was very much encouraged by the late Minister of Industry and Tourism who at that time assured me it would come before committee that fall. Unfortunately, this was not able to come about because of the circumstance which we all very much regret.

I just want to pay tribute to the late minister for the interest he gave to the small business act. A few months after the introduction of that act he called together the people who would be involved and interested in it, the various associations which have been mentioned here today—The Canadian Manufacturers Association, the Retail Merchants Association, the Chamber of Commerce of Ontario, and the Canadian Federation of Independent Business. When we sat around the table and discussed the merits of that small business act, I think all were generally agreed it was a very good act and it had a great deal of merit. I feel had the small business act come before committee, many of the problems could have been resolved and I believe on an all-party basis there is a very good possibility today we would have had a small business act in Ontario.

Mr. Deputy Speaker: And this resolution would be included?

Mr. Eakins: Yes, I was just going to say that, Mr. Speaker, and I appreciate that. This resolution would form a part of that.

I just want to say I feel the discussion today—and I appreciate the member's introducing the resolution—has given us an opportunity to comment on this. I would hope from this discussion perhaps we might be able to enlarge on the resolution and certainly resolve many of the problems which the small business people are encountering today with slow payments, late payments, and sometimes no payments. I commend the member for Mississauga North for the introduction of this resolution.

[4:30]

Mr. di Santo: Mr. Speaker, I think this is one of those resolutions that doesn't mean anything because it doesn't address the real problem the member wants to tackle. It's also in a certain way a waste of time for the members of the Legislature.

The member for Mississauga North is trying to tell us that by giving a blank cheque to the small businessmen who are suppliers of the government, we are really trying to solve a problem which is much broader, a problem that has been created and has been developed the 36 years in which the Conservative Party has formed the government of this province. If there are late payments or of there are no payments, as the member for Victoria-Haliburton says, if the small businessmen are suffering because of red tape, that is the result of 37 years of Tory government in Ontario. We do not solve that problem by giving the suppliers of the government a blank cheque.

I think this resolution doesn't address the real issue, the plight in which small businessmen in the province find themselves. It is because of the lack of a serious policy, because of the lack of a serious commitment of this government towards the small business community of the province.

My colleague, the member for High Park-Swansea, has illustrated quite eloquently why in Ontario the small businessmen are not only suffering but why they are suffering the consequences of the lack of a clear policy on the part of the government. With this resolution, we do not solve the two major problems that small businessmen have. One is the red tape and, as I said, that's the result of the bureaucracy created by this government—along with the federal government, to be fair.

Mr. Jones: You just read this resolution again.

Mr. di Santo: It isn't anybody's fault if the small businessmen are not paid on time, if the payments are delayed. It's the fault of this government and with this resolution that problem is not solved.

Above all, it does not solve the most serious problem: This is the government's purchasing policies which do not favour the small businessmen of Ontario.

Last spring the small business act introduced by the member for Victoria-Haliburton passed second reading and was endorsed by the House. Why is it that the government doesn't introduce the third reading of the bill if the government is really serious about small business then?

We have been raising in this House question after question about the purchasing policies of the government of Ontario. We raised the case of the microfilm recording company, a Canadian company—actually an Ontario firm—which produces documents on microfilm. We brought up in this House that this company, which is a competitor of American and multinational corporations like IBM, is producing products which are cheaper than the competitors' products, is competitive on the market, and they have asked the pro-

vincial government that they be accepted as a bidder. Today only four ministries are buying products from this company, an Ontario company with research and development in Ontario—small businessmen, only 22 people. The government of Ontario buys from such small corporations as IBM or 3M at the higher prices.

We raised in this Legislature—and the member for Mississauga North should know that—the multimillion dollar resource recovery plan in the Peel region and what happened in that case. The plant was sponsored by nobody else but the Ontario government and Reed Limited. What did the Canadian companies say in that case? That they were not given enough time to prepare the bids and the contract went to Gamin Ecosystem Corporation of New York.

Just to give you another example of how serious the Conservative government is about the small businessmen of the province of Ontario, I would like to bring another example to your attention, Mr. Speaker, and in this case it is the Ministry of the Environment. They had to build a pollution-control system at Nanticoke. There was a Canadian company, Canadian Applied Technology, that is known not only in Canada but in the United States, because it had provided pollution equipment to different US states, and the Ministry of the Environment chose an American company to provide the pollution control equipment, with no explanation, neither on technical grounds nor on economic grounds.

This is the real problem. The problem is that the Conservative government haven't got a serious purchasing policy which will work in the interests of the small businessmen of Ontario and, above all, in the interests of the people of Ontario, because you know the small businessmen are those who create more jobs in Ontario and in Canada.

The Canadian Federation of Independent Business—and I think its figures are accurate —say that 80 per cent of the new jobs are created by small businessmen in Canada, but the government goes along with the increase in the interest rates and you know what that does to the small businessmen, Mr. Speaker. That creates bankruptcies, because most of the small businessmen, especially the new small businessmen, get no help from the small business development corporations of Ontario. If the member looks at the record, he will see they get no help whatsoever from the Employment Development Fund. Of the $5 million which has been given by that fund in order to create employment in Ontario, very little went to the small businessmen and most of it went to big corporations.

The small businessmen are suffering the consequences of the high interest rate and there are many bankruptcies. The honourable member should look in his own backyard in Mississauga and see how many small businessmen in every sector are going bankrupt. He can look at the list of the bankruptcies. The manufacturing sector is a service sector.

The credit policy of this government is disgraceful and is not doing anything for the small businessmen of Ontario. For the member to suggest that by giving them a blank cheque he will resolve their problems is totally ridiculous and he knows that. That is why I said this kind of resolution wastes the time of this House.

Mr. Kennedy: I commend my colleague for bringing this forward because it points up—

Mr. Wildman: Did you say you commit him?

Mr. Peterson: This is the silliest resolution that has ever come before this House.

Mr. Kennedy: —it points up one of the problems faced by small business.

Mr. Wildman: It is a carte-blanche resolution.

Mr. Peterson: It's just silly.

Mr. Kennedy: What we really need, and the whole thrust of this, is to expedite the payment of bills, large or small—

Mr. Peterson: Expedite it then. Don't go around handing out blank cheques. Don't be silly.

Mr. Kennedy: —but particularly small, in order that the business of the community, employment and so on can be sustained through prompt payment by government.

Mr. Peterson: This is just silly.

Mr. Kennedy: I'm somewhat concerned about shooting blank cheques around, but my colleague has pointed out the safeguards that would be built in.

Mr. Peterson: You've been shooting blanks for years over there.

Mr. Kennedy: My colleagues have spoken of this government's commitment to small business. The opposition parties haven't been so lavish in their praise, but they know down in their hearts that Ontario never had it better. Our business community has expanded. As our business community and commerce go, so go our standard of living, the health of the province and the many benefits we enjoy because of a healthy economy.

Running a small business isn't an easy task. When I visit and discuss this with small

business or big business people in my riding, they point out some of the difficulties—the forms that need to be filed and the frustrations they have—

Mr. Peterson: Why don't you do something about it then?

Mr. Young: You're the government.

Mr. Kennedy: —in conducting business efficiently and so on. One of these things is the delay in payment.

Mr. Peterson: Speed it up then. Don't go handing them blank cheques. That's silly.

Mr. Kennedy: Don't get so excited. The member for London Centre was not here to hear all the speeches that were made, several of which were good while others weren't so hot. I don't need to isolate them or tell the member which were which. If he reads Hansard, he'll know.

Mr. Peterson: I heard it all.

Mr. Kennedy: You heard it all, did you?

The resolution points up the problem. I would far rather see a re-examination of the payment process. It seems to me that if it isn't in place now there could be a division in whatever the department is that pays and grants authority whereby a shipment as it's received can be checked and matched to the invoice and a cheque issued right on the spot. I don't know how feasible this is, but we certainly don't want to open the way for hanky-panky or putting an extra zero on the cheque and this type of thing.

Mr. Peterson: You won't have much time. You won't have another 36 years.

Mr. Kennedy: I reiterate that my colleague from Mississauga North, the sponsor of the resolution, has pointed out that this safeguard is here. I wonder though if it might escalate if there was a $399 invoice and if four separate invoices might turn up from the same firm. Here again, I wouldn't think that could occur because an order is an order and I don't see any difficulty that way. But, by and large, I favour the stepping up of procedures.

The member for Wellington-Dufferin-Peel mentioned the resolution I have on the order paper, which I think is a very interesting one and which will be coming up for debate. It is about item 35, which I estimate would come up maybe next March or April. This asks the government to establish a small business week. During that week, as well as at other times throughout the year, in meetings involving government agencies, banks, consultants and others involved with small businesses, there would be the opportunity to bring forward through seminars and by resolution such suggestions as this that point up the problems.

I mentioned that the government should launch the week. I have an idea for the launching of the week. Next year happens to be a leap year. It isn't because of any marital change I anticipate or anything like that, but why not, as has been done in history—it's not unique but it would be now—declare a tax holiday for that 366th day for small business? In other words, if the bottom line is that taxes are $3,660—

[4:45]

Mr. Speaker: The honourable member's time has expired.

Mr. Kennedy: —there would be a day's credit where there would be no taxation, a $10 credit to give some encouragement, a little flair and acknowledgement to the role that small business is playing.

I commend the member for bringing this forward. We've had a good debate here and I hope those who can assist small business will respond by overcoming the problem he brings forward.

Mr. Jones: I appreciate some of the comments introduced into the debate. However, I totally missed the point raised by a couple of members. I appreciate that the member for Essex North (Mr. Ruston) was hoping we could have used this time today for Workmen's Compensation Board, the Ontario Institutes for Studies in Education and some other things, but he did finally get to talk about the resolution.

He did agree with the member for London Centre (Mr. Peterson), who came in with some interjections kind of late and who said he had been listening to the debate outside. I appreciate the comments of the member for Essex North when he said he could see how it would relieve some paperwork. All businessmen who have come from that background know how important it is to find ways to resolve this problem.

It is not the action of a tired old government if someone from the other side should get up and suggest we take a look at where we might have paper backlogs and try to find a way we can help expedite payments, not for a paltry sum, but as I said in my opening remarks, to do away with half a million invoices. That's not small potatoes; they represent large and important sums to a great number of small business people across the province.

The member for High Park-Swansea (Mr. Ziemba) talked about how we were irresponsible. He was way off target and he missed

the whole point. He started into his rhetoric about how this government was a bad credit risk; I missed entirely what he was trying to say there. He wanted to blame us for corner drugstores disappearing and some of the gas stations that have evaporated in his riding. He totally missed the point.

I would have thought that as a former merchant he would have—and maybe right now he will be biting his tongue—argued with the member for Wellington-Dufferin-Peel (Mr. J. Johnson), who seconded the resolution, when he quoted the comments of the president of the Retail Merchants Association of Canada—no small group—as he spoke for their 4,000 members. In the resolution he sent to us he used the words, "Admittedly this is a small step forward, but an important step."

That group certainly doesn't think the resolution is frivolous or a waste of this Legislature's time. To them it is pretty important. So I thank the member for Wellington-Dufferin-Peel for his comments.

I also thank the member for Victoria-Haliburton (Mr. Eakins). I think all of us here appreciated his reminding us of the service given to us by the late Minister of Industry and Tourism, the honourable John Rhodes, how he did have an appreciation of the concerns of small business and how he advanced them. I feel comfortable that this same spirit, which was epitomized in the response of the honourable John Rhodes, continues on this side of the House, in this party of the government.

Mr. Speaker: The time for this item has expired.

Mr. Jones: I ask the members for their support. It is not a carte blanche, as some referred to it, but rather, seeing as the suppliers are known to the government person in the various towns, this is an opportunity to get rid of a lot of the in-between paperwork, save money and assist small businessmen at this particularly difficult time for them.

FISCAL PLAN ACT

Mr. Van Horne moved second reading of Bill 145, An Act to provide for Fiscal Planning in the Government of Ontario.

Mr. Speaker: The honourable member has up to 20 minutes. If he wishes to reserve some time, he may notify the table officers.

Mr. Van Horne: I do serve notice to the table officer that I would like to reserve five minutes for concluding remarks.

This bill is another attempt to draw to the attention of the government the need for more adequate fiscal planning in the affairs of our province. This is a theme I have repetedly stressed since I became a member of this Legislature in 1977. The theme is repeated to constantly remind the government of the need for good planning in the affairs of this province, not just now, not just next year, but for many years to come.

In so far as the specifics of this bill are concerned, we are asking that the years to come be at least five. Certainly this is most incumbent on us as members of Her Majesty's loyal opposition. Beyond that, of course, it is the duty of all elected members—government, opposition, third party—to exercise vigilance over all aspects of finance, both revenue and expenditure, and, beyond that, the programs related to revenue and expenditure; that is, what actually happens to the moneys.

Items similar to this bill have been brought before us many times in this Legislature. Frequently, these bills are summarily discarded by the government. Certainly my private member's bill of May 24 of this year, An Act to provide for information relating to the Financial Cost and Economic Impact of Government Programs, is an example of a of a bill that was summarily discarded.

Mr. Peterson: Great bill. This government needs it.

Mr. Van Horne: I introduce Bill 145 an Act to provide for Fiscal Planning in the Government of Ontario, with a degree of optimism, even though it may not pass this time, it will serve as a further reminder to the government of the need to plan.

Mr. Peterson: Think positive, Ronnie think positive.

Mr. Van Horne: In a sense I am optimistic, or positive as my colleague from London Centre suggests, because I know if it doesn't happen this time it will next time or the time after. I'm optimistic enough to think there are enough people in this Legislature with enough common sense to get their heads together and agree that planning is necessary.

I'm a little unlike the former leader of the third party. It was reported in an article in the Star yesterday headed "Insight" that to the member for York South (Mr. MacDonald) it is the principle which is important, the principle being that everything should be open unless otherwise designated, instead of the other way around. The article goes on to say he is willing to wait a while longer, knowing that something is coming down the stream. In this instance, that something is the Williams report.

His patience comes from longevity of service and perhaps greater wisdom—in both instances greater than I have. But by the same token, I am optimistic that if we don't do it today, it's a sensible enough idea that it will be done.

I don't know if the government is doing any forward fiscal planning, therefore I'm not prepared to wait quite as long as my colleague and the former leader of the third party. I think the government should move ahead with such planning right now.

My urging is not isolated. One has only to look at the Lambert report released earlier this year to find similar urging. I would ask all members present to consider the argument provided by the Chairman, Management Board of Cabinet (Mr. McCague) in his comments of October 19, in which he excuses the government of Ontario from some aspects of that particular report with the rather vague argument that its provisions don't really apply to Ontario.

Let me quote just a few lines. I'm quoting from Hansard, page 3668, where the minister says: "Naturally, not all of the proposals the Lambert commission has made are relevant to our situation. Provincial legislation and the practices of this House respecting financial administration differ from those at the federal level. In many respects the report is the prescription for someone else's ailments."

Surely comments like that can't go by without some kind of criticism from me or from my colleagues. When we look at a budget deficit in this province, as huge as our deficit is this year, and when we look at programs whose costs have spiralled out of all control, we must agree that there is need for the Treasurer of this province (Mr. F. S. Miller) to take Bill 145 and its provisions and see that they are implemented as quickly as possible.

In looking elsewhere for support for my comments I find it in the words of J. J. Macdonell, auditor general of Canada, when he spoke in this Legislature only a few weeks ago to the Commonwealth Parliamentary Association. He said that Parliament was close to losing control of the public purse and that there was a breakdown in the chain of accountability from the bureaucracy, to Parliament, to the voters. I submit that this bill helps to re-establish the chain of accountability just mentioned. It does so by following a very simple way.

It is proposed in the bill that when the Treasurer presents the budget of the government of Ontario to the assembly that he submit a five-year fiscal plan. The plan would provide information on the estimates of revenue for each of the next five years. It would set out expenditure ceilings for the next five years. It would indicate the expected budgetary surplus or deficit over the next five years. It's a very simple mathematical exercise.

I'm sure that my grade two, little seven year-old at home could take this and add up the pluses, add up the minuses and get the difference between the two and come out with basically, the same kind of program. But planning as simple as this appears to be beyond the desire—and I'm not saying beyond the reach—of our present government.

In addition to the provisions I have just laid out before the members, there is a further demand that the plan be referred to a standing committee of government finance and the economy. This, of course, would be something new to this legislature.

The committee to which I just referred, which by the provisions of this bill would be called the standing committee on government finance and the economy, would be different from our present committee structure, though in some respects it would be similar. It would be similar in that it would have representation from all three parties and that it would report to this assembly periodically or, as the bill says, from time to time.

It would be different in that it would have an overview of the finances of this province different from the overview of any other existing committee of this House. I think it bears repeating that there is at this time no committee of this House, including the public accounts committee, that has an overview of the expenditures, the revenues and the plans of this government. That is wrong. This bill rights the wrong.

[5:00]

Obviously, too, this bill would require reconsideration of the present estimates process. The estimates process, as we all know, is that way in which we go through an almost totally useless exercise of reviewing the financial needs of each ministry, because in reviewing we very seldom, if ever, change the numbers. We very seldom, if ever, get to the numbers until after most of the money is committed or spent. In other words, even though we have the estimates process this House really does not have control over the money and how it is spent.

By and large then the estimates are really a policy-checking process. It's a time or a place at which a member really can raise issues of local concern. How often have we sat through the estimates to listen to the member for wherever talk about a drainage ditch, or a person who lost his or her licence, or a program that didn't come to fruition in the community because the funds weren't there? Really, in terms of the various committees sitting in to review the money of a ministry and the way those moneys are spent, I would submit that the estimates exercise is one which is creaky, which is old, and which should either be thrown out or revised immensely to give the members some more ability to direct the financial affairs of this province.

Let me just for a moment reflect on a few examples of unplanned government spending which are prime examples, or proof positive, that such a piece of legislation as this would be beneficial to the citizens of the province in that if the bill had been in place happenings such as this would not have been allowed to go on unquestioned.

Let's take a very brief look at the Urban Transportation Development Corporation and how much it has cost us. Let's take a look at the Niagara Escarpment Commission, established in 1973 at an estimated cost of $100,000 to $200,000 a year, but which in the last four years has cost $1.5 million, on average, per year.

What about the Ontario Land Corporation? The Ontario Land Corporation, called by Mr. Best in the Star not too long ago "a 1974 buying spree," cost us $311 million and is presently costing the taxpayers of Ontario $28 million a year in carrying charges.

Minaki Lodge—how much has that disaster cost us? According to the Sun, in an article I have here—

Mr. Wildman: Sixteen million, isn't it?

Mr. Van Horne: —dated October 21, the heading says, "Minaki Lodge Gets $20 Million Boost." That's $20 million in addition to what? How many millions more are going to be spent on something that is really not a viable expenditure for this province?

Those are a handful of examples and I could go on, but the point is simply this: those expenditures and many others like them are expenditures which should not have been allowed to carry on year after year after year.

I have a few concluding remarks. I get the strong suspicion that the member for Oriole (Mr. Williams) is ready to leap into action—

Mr. Wildman: No, you keep on.

Mr. Mancini: Leap maybe, but very little action.

Mr. Van Horne: —to tell us of all the wonderful things the government is doing and therefore submit to us that this bill is no good. I would submit that these examples of loose spending come as a result of this lack of planning and also as a result of the way the budget is presented to us each year; very briefly, a budget of two parts, a budget statement followed up by budget papers.

These are fine as far as they go—and I haven't the time to get into the examples in the book but what happens here, time after time in the charts et cetera, is that we go back to 1976. But we go forward only to this fiscal year. There is no forward planning, I say to the member for Oriole (Mr. Williams). There is no planning in the budget process. That's part of what is wrong. The government is great with hindsight, but it has no foresight.

Mr. Williams: You haven't read the budget, obviously.

Mr. Mancini: The member for Oriole doesn't understand it, anyway.

Mr. Williams: Read what's between the two covers.

Mr. Van Horne: Mr. Speaker, let me conclude and save a few minutes for rebuttal.

Mr. Deputy Speaker: The honourable member has four minutes remaining.

Mr. Laughren: I guess there is no doubt in your mind, Mr. Speaker, that I would be rising to support this bill. Of course, I wouldn't presume to speak for all of my colleagues, this being a private member's debate. But I will tell you, when I saw this bill on the Order Paper, and picked it up and read it, my reaction was one of disbelief. I had a very eerie sense when I picked up the bill and read: to think a five-year plan would come from a Liberal in Ontario. I would not have believed it. This smacks of economic planning; it really does. I would not have believed it possible, as long as I stay in this House.

Mr. Williams: You're mad for being stupid, Floyd.

Mr. Laughren: What this bill implies is that the economy out there needs a little bit of direction now and again, and perhaps needs the oar dipped in the water just occasionally to keep the canoe on a straight line.

Mr. Peterson: You don't use oars in a canoe, Floyd. No wonder you are in such trouble.

Mr. Laughren: What do you use, a paddle?

Mr. Peterson: You're rowing your canoe; you're supposed to paddle it.

Mr. Laughren: Well, whatever, Mr. Speaker. It does imply that the Liberal member has decided there needs to be a little bit of direction; and I find that strange.

Mr. Kerrio: I would have made it a six-year plan. We've had too much of those plans.

Mr. Laughren: Can you imagine, Mr. Speaker—and I am supporting this bill; I want to make that clear. I come here to praise it, not to damn it.

Mr. Peterson: Don't criticize it then.

Mr. Laughren: Can you imagine fiscal planning from a party that believes in a free market? That the free market should make the economic decisions that take place out there? I find that truly remarkable.

Mr. Kerrio: We were just getting ready to say something nice about you.

Mr. Laughren: I find it very strange that fiscal planning would come from a member of the party that believes the natural course of events, the invisible hand of the market, will really look after the problems, and all we have to do is to keep down government spending.

I was following the member all the way through his speech until he got to the end, and somehow came to the conclusion that fiscal planning involved restraining government expenditures and little else. I find that difficult to countenance.

Mr. Peterson: Fiscal planning is not necessarily fiscal planning.

Mr. Laughren: I find it very difficult that fiscal planning would come from a party that really wouldn't want to interfere with what is going on out there, not even to the extent of ensuring that the economy out there is not totally controlled and owned by people outside our jurisdiction. I find that very strange.

The other thing I find strange is that, even though the bill states very specifically that it is to deal with estimates of revenues, expenditure ceilings and budgetary surplus or deficit, it doesn't deal at all with any of the factors that would affect those conditions—nothing; there is nothing. There are no goals in the five-year fiscal plan that the member would implement in Ontario. How can one possibly have any kind of five-year fiscal planning without goals attached to it? It doesn't make any sense whatsoever to have that kind of fiscal plan. It doesn't make any sense at all.

Mr. Peterson: A fiscal plan is a fiscal plan.

Mr. Laughren: If the member is prepared to say a fiscal plan should have within it certain goals to carry it through the next five years to ensure that we achieve those goals, then it would make some sense. But I come here to support the bill, not to debunk it.

Mr. Kerrio: It's pretty hard to understand what you're doing.

Mr. Laughren: I am just trying to make some positive suggestions.

Mr. Peterson: I'm glad you told us you were supporting the bill.

Mr. Laughren: All I am saying is that while the idea of a five-year fiscal plan is not original—I think I have heard the expression before—it is not a bad idea to have some fiscal planning in Ontario.

Mr. Peterson: Joseph Stalin, the father of your party, invented it.

Mr. Laughren: I wouldn't make any references or links between the member for London North (Mr. Van Horne) and Joseph Stalin. I wouldn't do that, Mr. Speaker. I wouldn't even mention their names in the same breath. That's why I stopped and took a different breath when I said what I did.

But, Mr. Speaker, can you imagine a hollow five-year plan? A hollow five-year fiscal plan? We will be the laughingstock of the world. Here we have a fiscal plan that's empty; there's nothing in it.

When he replies, I would ask the member for London North what model he used. What model did he use when he was thinking about this fiscal plan?

Mr. Mancini: You socialists would take away everything.

Mr. Laughren: What model did he use to launch the Liberal Party of Ontario into its great leap forward?

Mr. Kerrio: I know your five-year plan.

Mr. Mancini: We understand your five-year plan.

Mr. Kerrio: We know your five-year plan: nationalize everything; pay for everything. Take from the haves and give to the have-nots.

Mr. Laughren: There had to be a model. But, looking at this bill, I couldn't even guess whether it was a Chinese or an Albanian model. Maybe it was an Alberta model. I have no idea. But surely the member was

inspired by some kind of model he obtained somewhere.

I support this bill because—

Mr. Kerrio: You have to keep reiterating that, because it becomes quite a question.

Mr. Laughren: —I couldn't disagree with any bill that says we need a fiscal plan for Ontario. But if this bill goes to committee—and at this point we don't know whether it will or not—I hope the honourable member will accept some amendments which will make the bill that much stronger.

I'd like to suggest to the honourable member that we have some very positive suggestions that would make this a good bill.

Mr. Mancini: We can imagine what you have up your sleeve.

Mr. Laughren: I am telling the honourable member, and I am very serious about it, I can't imagine a fiscal plan which didn't include the following things in order to make it worthwhile. Otherwise, if it is sent to a committee it would be just like a general budget debate during the year and it won't bear any fruit at all.

A five-year plan should contain commitments to help us achieve the goals. So goals are needed to start with; I would list a few of them:

First, I think there should be a goal of very carefully selecting particular sectors that need rebuilding. I could list any number of sectors. For example, the machinery sector in Ontario is in a bad state. I think of mining machinery, food processing, electronics and electrical products, which are specific, relatively high-technology and important sectors in the economy of Ontario that need rebuilding. They should be selected in a five-year fiscal plan. Pick one at a time. Quite frankly, if they could pick one every five years, we'd end up with a healthier economy a lot faster than the way it is happening now. This five-year plan would be a beautiful opportunity to say we are going to put an enormous effort into rebuilding, for example, the auto parts industry or the machinery industry in Ontario.

Perhaps a second goal would be the reduction in the level of foreign ownership in particular sectors of the Ontario economy. The destructive aspects of foreign ownership are becoming clearer and clearer as we see the outflow of interest and dividend payments year after year, which is the source of much of our problems from high interest rates to the amount of inflation. There is an enormous opportunity to build that into a five-year plan.

What about mineral processing? If we can increase the amount of mineral processing in Ontario in the five-year period, we have done ourselves a long-run favour, because there is an enormous amount of new wealth to be created by further processing of minerals.

I have no quarrel with the specific levels of provincial debt revenues and expenditures in the bill. But they should be tied into other things that are going to be attempted. For example, if a crown corporation is going to be created to do mineral processing because it's not being done by the private sector, it may very well affect the level of provincial debt over a five-year period or perhaps even longer. That should be part of the five-year fiscal plan as well. Specific levels in the balance of trade on auto parts, for example, should also be part of the five-year fiscal plan.

The reduction in the level of Ontario Health Insurance Plan premiums over a period of five years should be included. Perhaps specific taxation goals such as—I hope—the reintroduction, of the succession duties should also be included. Of course, the Liberals may have to serve notice of a change in position on an issue like that, which might bother them.

Notice should be served in a five-year fiscal plan that certain parts of the resource sector will be brought into the public sector to achieve provincial goals. Job creation and apprenticeship programs should be built into a fiscal plan like that. I was looking at a chart on housing starts the other day, and it looked like a yo-yo had traced it. Perhaps even specified social goals could be implemented over a five-year period. Although it does cost some money, the implementation of legislation creating equal pay for work of equal value would do something for the women in Ontario.

[5:15]

Mr. Deputy Speaker: The honourable member's time has expired.

Mr. Laughren: Thank you. In conclusion, Mr. Speaker, God forbid that we should continue to drift. I support the idea of a fiscal plan for the province. We saw the Treasurer debunk Conference Board in Canada statistics today without ever saying what his statistics were. I commend the member for London North for bringing in the bill, and we will support it. I hope he will support our amendments when they go to committee.

Mr. Williams: Mr. Speaker, I appreciate the opportunity to participate in the debate this afternoon on the bill before us, sponsored by the member for London North.

I must say that I think there's one area in which we have common agreement. In areas of fiscal planning and accountability, one has to direct oneself to this type of planning on

a long-term basis. I don't think there is any doubt about that. The day of the rural municipalities, of the small public bodies and governments that were able to deal with relatively simple issues involving very little capital expenditures or programs that required long-term involvements as far as financial investment was concerned, is long gone.

I believe the member for London North. In the past, I have served on municipal councils or school boards in urban areas where it has become quite apparent that, even at the municipal level, you have to have financial integrity and viability to provide meaningful continuity to government programs. It can only be brought about by long-term considerations. It used to be that municipalities were limited to one-year terms so they didn't have the statutory authority to even plan programs involving expenditures beyond their terms of office. Now, with the two-year plans, it does afford some opportunity for local municipalities to do a bit of medium-term planning.

One of the major arguments in favour of extending the two-year term, which exists in the larger urban areas such as Metropolitan Toronto, is to achieve this end purpose of having a continuity in planning, fiscally and otherwise. I know from my own personal experiences on the Metropolitan Toronto corporation that many of the programs we dealt with before committees were formulated on the basis of three-year programs at the beginning of the terms of those councils. That is probably one of the strongest reasons why I would subscribe to reintroduction of the three-year term.

There are two criticisms I have with regard to the bill before us today. I think they are indeed valid criticisms. First, the sponsor of the bill has clearly stated that there has been no long-term fiscal planning by this government.

Mr. Wildman: You have proved that in the north over and over again.

Mr. Williams: With respect, as I said a few moments ago in an aside, the member obviously has not read recent budgetary presentations by not only the present Treasurer (Mr. F. S. Miller) but also his predecessor, the Honourable Darcy McKeough. It is quite apparent that long-term fiscal planning and considerations are paramount to maintaining fiscal integrity.

There is no question that, technically, the budgets presented have to direct themselves in a specific way to a 12-month fiscal period. Notwithstanding that, it's quite apparent—and you don't even have to read between the lines—that in the budgetary process one has to look beyond a 12-month period. It is well known, and it would be naive to think otherwise, that our own economists in the Treasury, as well as outside economists and other people who are knowledgeable in the fields of finance and economic matters, are consulted and their considerations taken into account—

Mr. Peterson: Parliament never looks at them.

Mr. Williams:—not simply to have their views as to what the next 12 months will produce, but indeed as to the longer-term ramifications and considerations of trying either to turn off the financial tap or to prime the pump, to use the common vernacular.

Lest there be any doubt that this cannot be substantiated—and I think this is something that the sponsors clearly and perhaps intentionally overlooked today—the fact is that it is spelled out quite clearly in recent budgets that long-term planning was an integral part of the budgetary process.

Mr. Wildman: You never implement any of the plans.

Mr. Williams: I need only direct the member to the 1977 budget presented by the then Treasurer, the Honourable Darcy McKeough. At that time, it was explicitly stated —in fact, it couldn't have been stated more clearly—that the budget was not designed to deal simply with the immediate 12-month period for which he was immediately accountable; it projected the possible revenue deals that were anticipated over a three-year period, not just the 12-month period to which he was addressing his budget. A significant part of the budget, through a budget paper to which the member referred earlier in speaking about the structure of the budgets presented annually by the Treasurer—a whole budget paper, in fact—is devoted towards a balanced budget.

While there may be ridicule and criticism directed at the fact that the ultimate may not have been achieved, the Treasurer at that time clearly spelled out that they were endeavouring to plan at least for a specific three-year program of financing. I think the member has conveniently overlooked that fact. I think by simply reading these budgets, one can clearly see that his allegations do not stand up under factual assessment of the current budgets.

The member has also made reference to the Lambert report, the recent federal government publication emanating from the Royal Commission on Financial Management

and Accountability. The previous speaker asked the sponsor of the bill as to the source of his material for the substance of his bill. Obviously, he has drawn heavily on the Lambert report, which stresses heavily the need for long-term financing and the five-year program.

Mr. Peterson: Very responsible thinking.

Mr. Williams: In referring to the Lambert report, as he did, the member himself suggested it would have equal application here in Ontario. With that, Mr. Speaker, I must disagree, because one simply has to look at why the Lambert report and the royal commission were set up.

It was in 1976 that the federal Auditor General issued a stinging indictment of the federal government, by reason of the fact that it was grossly mismanaging the public purse at the federal level.

Mr. Kerrio: You people ought to know all about that. Your numbers aren't so good, you know.

Mr. Williams: The Liberal government of that day was so set back by this indictment, which had never been so strong in recent years, that it set up the royal commission to try to temper the situation. It was quite apparent at that time, and the Auditor General clearly said, that things were out of line, that they had lost control. The increase in the public service was accelerating at an unprecedented rate. The same was true of federal expenditures. All the time, the Prime Minister of that day was saying, "We will curtail spending; we will keep the civil service to a reasonable level," and he was going in exactly the opposite direction in terms of implementing action.

Mr. Mancini: Who was saying that, the Premier of Ontario?

Mr. Kerrio: Bill Davis was saying that.

Mr. Williams: By contrast, in Ontario I simply have to point out that in the past three-year period this government has constrained its spending by $1.2 billion and has reallocated $900 million to other areas where it felt greater priorities had arisen in the interim.

I think one can clearly distinguish where there has been responsible and accountable fiscal planning as contrasted to what's happened at other levels of government and jurisdictions.

My last criticism is simply that, ironically, at the last private members' hour, last week, the member got up and protested loudly that one should not block legislation before this Legislature. Yet here he brings before us a bill that is so fundamentally central to the whole democratic process—

Mr. Deputy Speaker: The honourable member's time has expired.

Mr. Williams: —where the party system and control by the government in power is vested solely in the government; that he would try to refute that with this type of legislation, I suggest, is ludicrous.

Mr. Kerrio: Clean up your act.

Mr. Deputy Speaker: Order.

Mr. Williams: If ever a bill aspired to be vetoed, certainly this bill should be. I encourage my colleagues to do so.

Mr. Peterson: Mr. Speaker, I must say I'm quite flabbergasted by the last remarks of the member for Sleepy Hollow. His circuitous logic to try to justify the government's blocking this bill—and of course we fear the worst, because they always block progressive bills and indeed have made a mockery of this private members' hour—it disturbs me very much. The logic just expressed by that member, as in other remarks in his speech, escapes me completely.

Mr. Williams: I realize it's over your head.

Mr. Peterson: I want to compliment the member for London North who, since he was elected here, has worked very hard to bring in mechanisms and devices to encourage economy, efficiency and effectiveness in government spending. He realizes, as do other people on this side of the House, there's no one way to do that kind of thing.

The whole thrust of this bill, like the thrust of other bills he has introduced over a period of time in this House, is to reverse the onus; to provide counterweights to the incredible power of government to mismanage the economy and government spending. It's only when we get some kind of accountability back into this Parliament, when all members—back-bench members and opposition members—can have a real input into the spending process and fiscal process in this province, that we are going to have any kind of responsibility or accountability. There are many aspects of that.

Bringing any kind of control on government spending is almost like moving an elephant in full flight with a series of pea-shooters. Even though a lot of people are shooting at him, it still is difficult to change his course. We just hope through a series of devices—one of which is being discussed today—that eventually enough collective countervailing pressure can be brought about on the government to bring more accountability and to make sure those people

charged with the stewardship of the public purse are doing the most responsible job they can possibly do.

The public accounts committee is one way of doing that, but there are major structural problems with that. We review a report that's ex post facto. It's a year late at best. Yes, we have an opportunity to review what the auditor has brought before that committee, but it's too late.

It is just like the estimates procedure, which in many respects is a waste of the time of this House. I am very much hoping the committee headed by the member for Oshawa (Mr. Breaugh) is going to come up with some major and important recommendations on how we can make that estimates procedure more responsible and more responsive to this House. But there again, we are discussing expenditures that usually have already taken place and it turns out to be general policy debates on a number of meaningless issues. They really are a waste, to my judgement, of some 400 hours of the time of this House and its committees.

In the suggestion of my colleague from London North there is an excellent, before-the-fact device to get some handle on government spending; that is, forcing the government to reveal its plans in a five-year forecast, using current taxing assumptions and all the prevailing information at the time.

We realize that no one is perfect over a five-year period; even our friends to the left are not that perfect over a long period of time.

Mr. Kerrio: They don't know what they're doing next week.

[5:30]

Mr. Peterson: What's important is the establishment of that committee on government finance and the economy, which will become an important, functioning, integral part of this House, and that is something we do not have now.

We have structural problems, apart from the budget debate, which has become another meaningless sort of debate in this House; the speeches made late at night when no one is here and nobody pays any particular attention to them. One structural problem is that members of this House are rarely in a position to sit down, around a committee table, and discuss the two sides of the budgeting process; not just the expenditures, which we discuss in estimates and in public accounts to some extent, all after the fact, but also the revenue side.

It is a disturbing fact to me that far too many members of this House have what I would call a management bias when it comes to making a decision. The government cannot look only at the expenditure side; it must also be forced to look at the revenue side. How often do we as back-bench members of the government party or as opposition members, go into the estimates and suggest cuts in expenditures? Usually, the thrust and the onus of that debate is to spend more money—for a bridge in our riding, more in social services, or whatever happens to be our cause of the day. That is the normal procedure in estimates.

Nowhere in the current system do we collectively sit down and analyse all sides of the fiscal plan of this province. One of the very difficult things we all encounter when we analyse efficiency, effectiveness and economy in government is the standards we employ. We all make up our own standards—abstract, some more abstract, some less abstract—using our own particular expertise to make a judgement on what the government is doing.

It is my view that we are going to have to force the government to bring some objective standards to this House for full and complete discussion of both sides of the balance sheet of this province. That is not done now. When the government is forced to make a five-year plan, all members of this House can say the year after, "That didn't happen," or "It did happen; well done boys," or "It didn't happen; why didn't it happen?" These would be updated on an annual basis and, in my judgement, would force a measure of responsibility on all members to take very seriously the budgeting problems and the long-term problems of a jurisdiction such as Ontario.

It is a known fact that precious little attention is paid by the government process to the problems this country and this province will have five years, 10 years and 20 years from now. I don't think many members would disagree with that.

Just look at the whole pension crisis, for example. It is one of the major problems we face in terms of refinancing from this government, and virtually no attention has been paid to it. There has been no committee assessment of those kinds of problems.

One could argue from a straight, crassly political point of view that politicians are punished for taking a long-term view. It is pretty difficult to take the public mind ahead five and 10 years to something that is going to affect people then, and say, "We must worry about it now." But we must worry

about it now. There is no other organized group or institution of society that is charged with the responsibility for what is coming in the future to the same extent that government institutions are, and I include the government of Ontario.

This provision is not the only one. It is just one of a number of devices suggested by my colleague's bill, by other members of my party as well as by colleagues from other parties. It is just one more device to bring some responsibility, to take the long-term view of some of the very serious problems that face this province.

I ask the member for Sleepy Hollow not to encourage his colleagues to stand up and veto this bill.

Mr. Laughren: The member for Sleepy Hollow?

Mr. Wildman: He is asking for the Headless Horseman to come in and veto the bill.

Mr. Peterson: We have all talked about accountability in this House. We have all talked about providing a more important role for the back-benchers and the non-cabinet members. This is one way we can do it. We can question officials in the Treasury; we can take the long-term view. I think it is important to know what is going to happen five years from now.

He referred to the 1977 budget. Members will recall that it was just before an election, and they will recall the mood of that time; it was one of concern about governing spending. Certainly that was one of the major issues of the day, an issue that the government tried to co-opt. The then Treasurer, Mr. McKeough, in his wisdom, said, "I am going to balance the budget in 1981, and here is how I am going to do it." You will recall that was a fundamental part of the campaign in 1977, part of the great manifesto of the Conservative Party: "We are going to balance the budget in 1981."

He went; they brought in his new little friend from Muskoka. After he had looked at the books for a few months and wasn't exactly sure what he was going to do, he said: "We are going to balance the budget in 1984." I suspect in another couple of years, when pressed, the next Treasurer—whoever that may be—will say: "We'll probably balance the budget in 1987", and so forth and so forth.

One of the problems we have, and it's seen daily in this House, is that we have a Treasurer whose position on any given issue is unknowable. He's the classic two-handed Treasurer. On the one hand, he listens to this group of economists; on the other hand, he listens to the other group of economists and somehow ends up with no position, down the middle, some time. There's evidence of that every day in the House—on interest rates, on oil prices, or whatever. A charming fellow, Mr. Speaker.

I say, to the credit of the last Treasurer, at least we always knew where he stood. He took strong stands. He wasn't afraid to lay out his position.

Mr. Speaker: The honourable member's time has expired.

Mr. Peterson: I'm just going to finish my last sentence, Mr. Speaker, if I may. The government must be forced into this kind of discipline; it is the only discipline a Legislature like this can exercise over a government. It is a good bill, and I would urge all my compatriots in the House to support it.

Ms. Bryden: Mr. Speaker, I'm not sure if the member for London North has been struck on the way to Damascus, but it is a pleasure to see him introduce a bill that embodies what is basically a socialist idea.

Mr. Kerrio: Perish the thought.

Mr. Peterson: Lambert is a socialist.

Ms. Bryden: The NDP has been advocating planning for a great number of years. It's the only sane way to anticipate problems and to be ready to meet them. It's the only way to overcome the deficiencies in the free market system. It's the only way to adjust to major disruptions in the economy which occur when things like world oil prices suddenly increase at frightening rates. It's the only way government can give leadership to the economy and maximize our overall wellbeing in this province.

But in the past this government has always taken the attitude that planning was dangerous socialist dogma and that the government's role was simply to react to crises and to pick up the pieces after the event. And look at the mess we're in now as a result.

However, according to the member for Oriole, it appears that the provincial government has been engaging in planning in the closet.

Mr. Kerrio: They don't know what's going to happen next week.

Ms. Bryden: It seems as though everybody is getting on the bandwagon these days. The Lambert commission, in March 1979, came out with a report that recommended virtually the same thing as this bill proposes. Just last week, the Economic Council of Canada in its latest annual report urged greater openness in fiscal planning and suggested a mid-term fiscal plan should be prepared for submission

to Parliament and to the public. Perhaps the Conservatives feel they should get on the bandwagon too.

In fact, if they block this bill, we can only conclude they still really do not believe in democratic planning, which involves not just navel-gazing in back rooms but also giving the public an opportunity to comment on the plan as well as giving the members of the Legislature an opportunity to debate the plan.

In that context, I hope the member for London North envisages in his bill that when the fiscal plan is referred to his new standing committee there will be full public hearings on that plan.

Citizens' groups and public interest organizations should have the same opportunity to comment and participate in the discussion as corporations do. This may involve some public funding to make it possible for those groups to appear so that a variety of views can be presented. We may have to have some time limits on the public hearings if the annual consideration of the fiscal plan is to become part of the budgetary process. But I hope the time available will be divided fairly between the different points of view and not limited to those, such as lobbyists and lawyers, who can provide lengthy briefs at great expense, which they later deduct from their income tax.

I believe that the member's concept of a fiscal plan is a fairly broad one. It would include projections of both revenues and expenditures under given assumptions and the current tax structures. However, I think there is one particular type of data that should be included in his fiscal plan. I would like to propose it in case he has not considered it and ask that he consider adding it as an amendment to the bill if it goes to committee. What should be included, I think, are estimates of what have come to be known as tax expenditures.

In a recent publication of the Canadian Tax Foundation, the term "tax expenditures" is defined by the author, Professor Roger Smith of the University of Alberta, as follows: "Those provisions in the income tax which result in lower income tax revenues owing to the preferential treatment of certain economic activities, income or individuals; tax revenues forgone, because of the special provisions, are in many ways similar to direct subsidies and may be viewed as expenditures made through the tax system or 'indirect expenditures.'"

While the author does not imply that tax expenditures are necessarily a good or a bad thing in terms of achieving our fiscal and social goals, he does make a plea for publication of tax expenditure details as part of the budget. I also suggest it should be part of a fiscal plan.

He makes his plea on these grounds:

"Canadians should be fully aware of those provisions in the income tax law which result in preferential treatment of certain individuals, economic activities and forms of income. And we should know the magnitude of revenues forgone because of these provisions."

The publications of tax expenditures in the budget has been done in the United States and West Germany for 10 years, and is to start in Britain this year. So it is not an entirely new concept and does not seem to be causing any problems in those jurisdictions. In fact, I think the practice has been praised as providing legislators and the public with full knowledge of what kind of subsidization is going on through the tax system.

The Canadian Tax Foundation publication, to which I referred, produced estimates of the amount of lost federal revenue from tax expenditures in 1975. They came to $13.2 billion, which was more than one third of direct federal spending of about $33 billion in 1975, the year for which the calculation was made. If similar figures had been compiled for the 10 provinces, it is likely that several additional billions would be added to the total of tax expenditures.

[5:45]

While there may be disagreement on what you define as tax expenditures and what items you include in the total, the fact remains that there are substantial sums being handed out to individuals, organizations and companies through the tax system which are not reported directly to Parliament and the legislatures. They are expenditures just as much as direct subsidies and grants are expenditures. Since one of our goals as legislators is to have a "chain of accountability," as the member for London North mentioned, these must be included in any consideration; otherwise, there is a break in the chain.

The elected representatives at the moment do not have an opportunity to vote the amounts that go into tax expenditures each year, nor to examine how much is spent by this route nor to see to whom it goes.

Mr. Speaker: The honourable member has half a minute.

Ms. Bryden: In closing, I will ask the member for London North to consider an amendment of this sort and perhaps to comment on it in his windup remarks.

Mr. Van Horne: Mr. Speaker, I've enjoyed the debate of this past hour, and I

would like to respond to a point or two made by the member for Nickel Belt (Mr. Laughren) and his colleague the member for Beaches-Woodbine (Ms. Bryden). They have suggested that they would have amendments to make if this piece of legislation were passed on to committee. Certainly it would be most reasonable that amendments be made to this. That, of course, is part of the function of the committee process.

The member for Nickel Belt asked what kind of a five-year plan we might have. I would submit to him that other existing plans cannot be superimposed on Ontario, and therefore we would have to have an eclectic type of plan, one which would meet the needs of our province on a year-to-year basis.

He did follow up with some specific suggestions for rebuilding the economy and applying first effort to machinery, as an example, or reducing foreign ownership or increasing the mineral processing industry. All of these are commendable. I would submit that, if we get that far, obviously we would have to set certain priorities. All of the suggestions made are good.

In so far as the comments from the member for Oriole (Mr. Williams) are concerned, I got the impression that I was caught in a revolving door. I first heard words of support and then ended up hearing words which really detracted from that support and reflected moreover on the function of private members' hour. After listening to him, I came away with a sense of frustration and confusion.

I can't let pass without comment the observation he made about the planning that's evident in the Onario budget. He did submit that there is evidence of long-term planning. He had to go back to a budget of the former Treasurer, the former member for Kent-Elgin, the Honourable Mr. McKeough, to find some evidence—limited albeit—of long-range planning.

I would submit to him and to other members present that, if one takes a look at the 1979 budget, one will find also very limited evidence of long-range planning. The only real evidence I can find is in budget paper A, table 6, which does project, up to 1985, future shifts in Ontario's labour force. There is also one other limited section of only a few pages, which looks forward to the shape of fiscal policy in the 1980s. There is some very limited reference there to the forward look of Ontario budget planning. Other than that we really don't have any evidence.

That, I hope, proves the case of Bill 145; that it is needed, it should be accepted, it should go to committee and it should become part of the machinery of the province of Ontario.

Mr. Kerrio: There is no way men of integrity will block that bill.

GOVERNMENT PURCHASING

The House divided on Mr. Jones's motion of resolution 32, which was negatived on the following vote:

Ayes

Auld; Ashe; Baetz; Belanger; Bernier; Brunelle; Cureatz; Eakins; Gregory; Hennessy; Hodgson; Johnson, J.; Jones; Kennedy; Kerr.

Lane; Leluk; Maeck; McCaffrey; McGuigan; McMurtry; McNeil; Newman, W.; Norton; Parrott; Ramsay; Rollins; Rowe.

Smith, G. E.; Taylor, J. A.; Taylor, G.; Villeneuve; Walker; Watson; Welch; Wells; Williams; Wiseman.

Nays

Blundy; Bounsall; Bradley; Breithaupt; Bryden; Campbell; Charlton; Conway; Cooke; Cunningham; Davison, M. N.; di Santo; Edighoffer; Epp; Foulds.

Germa; Gigantes; Hall; Isaacs; Johnston, R. F.; Kerrio; Laughren; Lawlor; Mackenzie; Martel; McEwen; McKessock; Miller, G.I.

Newman, B.; Nixon; O'Neil; Peterson; Philip; Renwick; Ruston; Smith, S.; Sweeney; Van Horne; Warner; Wildman; Worton; Young; Ziemba.

Ayes 38; Nays 43.

FISCAL PLAN ACT

The following members having objected by rising, a vote was not taken on Bill 145.

Auld; Ashe; Baetz; Belanger; Bernier; Brunelle; Gregory; Hennessy; Hodgson; Johnson, J.; Kennedy; Lane; Maeck; McMurtry; McNeil; Newman, W.; Norton; Parrott; Ramsay; Rollins; Rowe; Taylor, G.; Villeneuve; Watson; Welch; Wells; Williams; Wiseman. —28.

[6:00]

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, pursuant to standing order 13, I wish to indicate to the House the business for tomorrow and next week.

Tomorrow morning, the House will go in committee of supply to consider the estimates of the Office of the Lieutenant Governor, the cabinet office, and the Premier's office.

On Monday, November 5, the committee of supply will meet in the afternoon and in the evening. They will consider the estimates of the Office of the Lieutenant Governor, the cabinet office and the Premier's office and, when those estimates are finished the estimates of the Ministry of Revenue.

On Tuesday, November 6, in the afternoon, we will consider legislation, second readings of Bill 77 and Bill 127, and there will be no House meeting in the evening of Tuesday, November 6.

On Wednesday, November 7, the justice, resources development and general government committees may meet in the morning.

On Thursday, November 8, in the afternoon, it will be private members' public business, first ballot item 3 standing in the name of the member for Bellwoods (Mr. McClellan) and followed by ballot item 4 standing in the name of the member for Durham East (Mr. Cureatz). In the evening the House will debate the motion for adoption of the report of the standing resources development committee on the Pickering B station steam generators supplied to Ontario Hydro by Babcock and Wilcox Canada Limited.

On Friday, November 9, the House will go into committee of supply to consider the Ministry of Revenue estimates.

Mr. Speaker, with the consent of the House, I would like to make two procedural motions.

Mr. Speaker: Do we have the consent of the House to revert to motions?

Some hon. members: Agreed.

MOTIONS

STANDING ADMINISTRATION OF JUSTICE COMMITTEE

Hon. Mr. Wells moved that on Thursday, November 8, the standing administration of justice committee be authorized to meet in the evening instead of the afternoon and the standing resources development committee be authorized to meet in the afternoon instead of the evening.

STANDING RESOURCES DEVELOPMENT COMMITTEE

Hon. Mr. Wells moved that the standing resources development committee be authorized to meet in the evening of Monday, November 5.

Motion agreed to.

The House recessed at 6:04 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
95	3975	2	42	Bill 158, An Act to amend the Regional

APPENDIX

(See page 4060)

ANSWERS TO QUESTIONS ON NOTICE PAPER

USE OF CONSULTANTS BY HOSPITALS

304. Mr. Breaugh: Pursuant to the Minister of Health's response on Friday, October 12, would the minister state which Ontario hospitals have engaged the Naus-Newlyn hospital consulting firm? How much have these hospitals paid for these studies, or how much do they expect to pay for them? (Tabled October 16, 1979.)

Hon. Mr. Timbrell: The Ministry of Health has advocated the policy of using consultants since the savings are almost always well in excess of the fees paid. However, the Ministry of Health does not obtain detailed information on each contract, since it is the individual hospital that determines whether or not consultants are hired. Each hospital is operated by a responsible board and the decision to provide this information will rest with the board of each hospital.

It should be pointed out that the NDP spokesman on May 29, 1979, indicated that the ministry should not obtain information of this nature. However, pursuant to my commitment on October 12, 1979, my ministry will correspond with each hospital and ask that the honourable member's request be considered.

HOSPITAL EMPLOYMENT

305. Mr. Breaugh: Would the Minister of Health indicate by hospital how many full-time and part-time hospital employee positions have been lost and/or created since April 1, 1979? (Tabled October 16, 1979.)

Hon. Mr. Timbrell: The Ministry of Health does not have this information. However, aggregate totals for the province are published annually in the hospital statistics report.

FUNDING OF HOSPITALS

306. Mr. Breaugh: Would the Minister of Health indicate which hospitals have appealed for funds in addition to their 1979/80 allotment? What amounts have these hospitals requested? Which hospitals have been granted additional funds to date? Is the minister aware of any other hospitals which are projecting deficits this fiscal year, but which have not appealed for further funds; and if so, would the minister indicate which hospitals these are? (Tabled October 16, 1979.)

Hon. Mr. Timbrell: My ministry cannot at this point provide full answers to the questions raised by the honourable member, since we are now in the process of reviewing appeals submitted by hospitals. We anticipate that this information will be available and will be tabled in the House at the end of the fiscal year.

OPTED-OUT PHYSICIANS

308. Mr. Breaugh: Apart from the information to be contained in the response to question 173, would the Minister of Health table information, based upon the three-month notice of intent to opt-out of OHIP filed with his ministry by any physician who wishes to withdraw from OHIP, specifying the number of opted-out physicians by county in the following medical fields on a quarterly basis from December 31, 1977? Would the minister also state what percentage this number of opted-out physicians represents in terms of the total number of practising physicians in that field in that county? The medical fields include: General practice/family medicine, internal medicine, neurology, psychiatry, paediatrics, dermatology, physical medicine, general surgery, cardiovascular and thoracic surgery, urology, orthopaedic surgery, plastic surgery, neurosurgery, othalmology, otolaryngology, obstetrics and gynaecology, anaesthesia, and diagnostic radiology. (Tabled October 16, 1979.)

Hon. Mr. Timbrell: Pursuant to my response to question 173, my ministry is in the process of compiling a list of physicians participating in OHIP. This information will be available by the approximate date of December 10, 1979.

MINISTRY ADVERTISING

310. Mr. Grande: Will the ministry outline its present procedure for determining the amount and placement of advertising in the non-official language press and media? (Tabled October 16, 1979.)

Hon. Mr. Grossman: Each ministry is responsible for determining the amount of its own advertising budget allocation. The selection of media is also a planning function by each ministry, usually in conjunction with an advertising agency under contract to the ministry.

To assist ministries in their planning function, advertising rate guides are issued periodically by the agency of record consisting of all known Ontario-based media listed in Canadian Advertising Rates and Data, including foreign language print and broadcast media.

Government information communication program; Ontario 20: Placement of advertising in the ethnic print media for the Ontario 20 information program administered by the Ministry of Industry and Tourism on behalf of all ministries of the government of Ontario is based on a publication's ability to meet the general advertising guidelines developed by the ministry.

1. Qualifying period for new publications: In order to qualify for consideration to receive government of Ontario advertising for the fiscal period beginning April 1, 1980, newly launched weeklies and semi-monthlies must have published consecutively for 13 issues, January-March. New monthlies must have published at least six issues consecutively.

2. Purpose of publication: In order to qualify for consideration, a publication's purpose must be to serve a specific ethnic community with news about their homeland, Canada and Ontario. Priority will be given to new publications printed in the language of their country of origin.

3. Percentage of audience: A publication must reach an acceptable percentage of the language group it claims to serve. Priority will be given to publications with proven audited circulation. Publications with no audited circulation will be expected to provide the government upon request with copies of their printer's invoice showing quantity printed.

4. Ontario circulation: A publication must be able to offer satisfactory proof that the majority of its total circulation is in Ontario. The advertisements placed on behalf of the government of Ontario consist of information about government services and programs of interest for Ontario residents only.

5. Cost efficiency: A cost-per-thousand circulation analysis has recently been completed relating advertising rates to the Ontario circulation of ethnic publications. Those publications charging above average rates will be advised and subject to review.

6. Place of business: Publications must be published and printed in Ontario.

7. Format size for weeklies and semi-monthlies: Minimum of eight pages tabloid size, approximately eleven inches by seventeen inches, or four pages broadsheet size, approximately 16 inches by 23 inches, in a format suitable for government of Ontario advertisements to fit without resizing material.

8. Regular publication and distribution: Regular publishing dates must be established and observed, so the government of Ontario can be assured of their advertisements being published on time. This means: Weeklies must publish every week; semi-monthlies must publish twice a month; monthlies must publish every month.

Publications must send a complete copy of every issue to: Media Co-ordinator, Communications Division, Ontario Ministry of Industry and Tourism, 900 Bay Street, Ninth Floor, Hearst Block, Queen's Park, Toronto, Ontario M7A 2E1.

Note: If irregular publishing practices are apparent the publication may be dropped from government of Ontario advertising schedules.

MULTICULTURALISM COUNCIL

311. Mr. Grande: Now that cabinet has made the decision to change the priority of the Ontario Advisory Council on Multiculturalism, will the ministry responsible table the report that the government has done to evaluate the work of the now defunct advisory council, prior to the change of name and mandate? (Tabled October 16, 1979.)

Hon. Mr. Baetz: Because of the difficulties involved in establishing jurisdiction and then drafting an answer, we require additional time for the preparation of the answer. The final answer will be ready on or about November 2.

ETHNIC PRESS

314. Mr. Grande: Will the ministry responsible table all the copies produced to date out of 8 York Street in monitoring the ethnic press? (Tabled October 16, 1979.)

See sessional paper 221.

MULTICULTURALISM PROGRAMS

315. Mr. Grande: Will the ministry responsible provide the following information re Radio ESL Service: (a) List of all radio stations that provide this service; (b) amount of funds, if any, that each radio station is subsidized for the development and broadcasting of the programs? (Tabled October 16, 1979.)

Hon. Mr. Baetz: Radio Station CHIN is broadcasting a 13-week series The Family

Molino, September 17 to mid-December. This will be repeated in spring, 1980. CHIN will be paid the sum of $2,600 in December, 1979 for the following services: Studio time and facilities; station time; promotion and evaluation assistance.

The Ministry of Culture and Recreation will be contacting other stations in the spring with a view to extending this service.

CHIN's broadcast range extends beyond Metro Toronto and includes, for example, Hamilton, Collingwood, Peterborough and Niagara Falls.

316. Mr. Grande: Will the ministry responsible list all the radio, television and cable stations in Ontario that broadcast in third languages? Specify which third language. (Tabled October 16, 1979.)

Hon. Mr. Snow: Because all of the information with respect to third language stations cannot be assembled in a brief time period, a final response must be deferred to approximately November 12, 1979.

317. Mr. Grande: Will the ministry responsible table the names and positions held by the multicultural contact person from the 20 ministries that have designated them? Is this a new interministerial council on multiculturalism? (Tabled October 16, 1979.)

Hon. Mr. Baetz: A list of multicultural contact persons appointed by individual ministries and policy fields as of October 22, 1979 follows. It is expected that contact persons for the remaining ministries will be appointed in the near future.

These persons do not constitute a "new interministerial council on multiculturalism." Their function is to provide an ongoing contact for staff of the Ministry of Culture and Recreation which has been designated lead ministry on multicultural matters.

Multicultural Contact Persons—(as of October 22, 1979):

Joel Shapiro, Executive Director, Ontario Youth Secretariat, Provincial Secretariat for Social Development, Second Floor, 700 Bay Street, Toronto; M5G 1Z6; David Bruce, Policy Analyst, Provincial Secretary for Social Development, First Floor, Whitney Block, Toronto, M7A 1A2; Ms. Pat Jacobsen, Director, Communications Services, Ministry of Consumer and Commercial Relations, Ninth Floor, 555 Yonge Street, Toronto, M7A 2H6; Robert J. Keir, Supervisor Information and Liaison, Information Services Branch, Ministry of Natural Resources, Room 5353 Whitney Block, 99 Wellesley Street, West, Toronto, M7A 1W3; Fred Cederberg, Director of Public and Safety Information, Ministry of Transportation and Communications, 1201 Wilson Avenue, Downsview M3M 1J8; Rex Welbourn, Policy Development Officer, Provincial Secretariat for Justice, First Floor, Whitney Block, Toronto M7A 1A2; R. J. Frewin, Director, Information Services Branch, Ministry of the Environment, Sixth Floor, 135 St. Clair Avenue, West, Toronto, M4V 1P5; John de Domenico, Director, Institutional Staff Training, Ministry of Correctional Services, 2001 Eglinton Avenue, East, Scarborough, Ontario, M1L 4P1; Miss Susan Linn, Co-ordinator, Public Enquiries Guaranteed Income and Tax Credit, Ministry of Revenue, 10th Floor, 77 Bloor Street, West, Toronto, M7A 2R9; Ms. Jindra Rutherford, Communications Branch, Ministry of Housing, Second Floor, 56 Wellesley Street, West, Toronto, M7A 2K4; Mrs. Catherine Michalski (been reassigned), Ministry of Education, 15th Floor, Mowat Block, Toronto, M7A 1L2; Ms. P. A. I. Taylor, Executive Secretary, Provincial Secretariat for Resources Development, First Floor, Whitney Block, Toronto, M7A 1A2; Peter Capps, Co-ordinator, Customer Service and Regulatory Process, Ministry of Community and Social Services, Hepburn Block, Toronto, M7A 1E9; W. A. Smith, Police Liaison Co-ordinator, Ministry of the Solicitor General, 11th Floor, 25 Grosvenor Street, Toronto, M7A 1Y6; Mrs. M. B. Levitt, Senior Policy Advisor, Economic Analysis Branch, Ministry of Treasury and Economics, Third Floor, Frost Building North, Toronto; Norman McLeod, Director, Agricultural Manpower Services, Ministry of Agriculture and Food, Seventh Floor, 1200 Bay Street, Toronto, M7A 1A3; George Brown, Executive Director, Ontario Human Rights Commission, 12th Floor, 400 University Avenue, Toronto, Ontario; John MacNabb, Management Board Officer, Room 617, Sixth Floor, Frost Building South, Queen's Park; Earl Coulson, Area Planning Co-ordinator, Ministry of Health, Sixth Floor, 15 Overlea Boulevard, Leaside; Mrs. Marjorie Rebane, Senior Information Officer, Planning and Co-ordination Group, Ministry of Intergovernmental Affairs, Fifth Floor, Frost Building South, Queen's Park; M. J. Diakowsky, Acting Director, Citizenship Services Branch, Ministry of Culture and Recreation, Fifth Floor, 77 Bloor Street, West, Toronto, M7A 2R9; Dr. Mavis Burke, Elementary Education Branch, Ministry of Education, 16th Floor, Mowat Block, Toronto; D. Bethune, Policy Liaison and Legislation Branch, Ministry of Colleges and Universities, 15th Floor, Mowat Block; Robert J. Keir,

Information Services Branch, Ministry of Natural Resources.

REFUGEE ASSISTANCE

319. Mr. Grande: Will the minister responsible table the specific plans his ministry has developed to assist Indo-Chinese refugees. (Tabled October 16, 1979.)

Hon. Mr. Baetz: Answer from the Ministry of Culture and Recreation:

Provision of assistance to refugees is not a new activity for the newcomer services branch of the Ministry of Culture and Recreation.

Initially, the ministry assisted the Indo-Chinese refugees in the same way as all other refugees and newcomers are assisted: directly through Ontario Welcome House; indirectly through development of orientation and ESL materials and through transfer payments to community based organizations and institutions assisting immigrants and refugees.

A network of services, both within this ministry and in the communities, has been in place for many years.

On July 18, 1979, the federal government announced the matching formula, indicating an increase in numbers to 50,000 refugees into Canada by December 31, 1980. The newcomer services branch, of the citizenship division of the Ministry of Culture and Recreation, initiated the Indo-Chinese Refugee Settlement Unit, (a two-year project), in August, 1979.

Responsibilities of the unit are: direct settlement services at Ontario Welcome House; community support and liaison; public education; interministerial and intergovernmental liaison; information; materials development, ESL and orientation; teacher training.

To carry out these responsibilities the four teams of the unit—community support and liaison; information; education, public education, ESL and Orientation; direct services at Ontario Welcome House—work co-operatively with the unit head, who co-ordinates activities and provides interministerial and intergovernmental liaison.

As the lead ministry identified by cabinet to co-ordinate the response to the exigencies of this large refugee movement, in mid-August I convened a meeting of the ministers involved, all of whom have appointed liaison persons, who work together with the staff of the IRS unit, as appropriate to facilitate the settlement of these newcomers.

Key positions have been staffed. The unit is operational on the fourth floor at 8 York Street. Final planning, development and staffing should be completed by December, 1979.

Answer from the Ministry of Labour:

The Ontario Human Rights Commission has a representative on the working group organized by the Ministry of Culture and Recreation to design and implement public education programs related to the Vietnamese refugee movement. The group works with institutions and agencies which are handling the movement, to ensure that they are informed about the cultural background and resettlement needs of the refugees, and to combat any potential backlash against the movement.

The human rights commissioners have passed a resolution to offer any assistance which the newcomer services branch may require.

The commission and the employment standards branch are monitoring media reports of exploitation of the Vietnamese refugees with a view to taking corrective action.

Answer from the Ministry of Health:

OHIP coverage: Immediately upon their arrival in Ontario, privately sponsored as well as federally sponsored refugees are provided with free OHIP coverage for six months.

OHIP has a team of 13 clerks, including a Vietnamese-speaking staff member, who have been assisting, when required, in registering the refugees at Ontario Welcome House in Toronto and at Toronto International Airport.

Public health and medical services: A well-established communication pathway has been set up between the Ontario Ministry of Health and health officials at the local and federal levels so that the ministry is aware of any problems that might arise and is capable of responding immediately if the need does arise.

The Ministry of Health and Welfare informs provincial health authorities about those refugees requiring medical supervision. This information should reach the provincial health authorities within 24-72 hours of the arrival of the refugee and is forwarded to the local medical officer of health immediately. Extensive information about various medical conditions to which the refugees may be susceptible has been sent to the medical officers of health.

In addition, private practitioners have been informed. An Ontario Medical Association representative met with ministry representatives and the president of the Society of Medical Officers of Health to ensure that activities are co-ordinated. The ministry is

represented on the federal task force on the Indo-Chinese refugee program which is looking into the health considerations of the refugee settlement. As well, an article directed at private practitioners has appeared in the OMA Review and has been sent out to medical officers of health.

Local health agencies have been requested to appoint a liaison person in order to facilitate communication between public health agencies, the ministry, Canadian immigration authorities and local assistance organizations.

Communictions plan: The ministry's communications branch is preparing an audio-visual presentation for the Indo-Chinese refugees. It will be in Cantonese and Vietnamese and will be distributed to Ontario Welcome House and all health units. It will inform the refugees of service available, give advice on nutrition and suitable clothing for Canada's climate, etcetera.

Answer from the Ministry of Housing:

The Ministry of Housing is considering two areas for assisting in the location of housing for the Indo-Chinese refugees: public housing and private housing:

1. The Ontario Housing Corporation is assessing its tenant selection procedures as they would apply to requests for accommodation from refugees or a sponsoring group. With most Ontario municipalities requiring a one-year residency, the refugees would not initially be eligible. Further, in most areas, there are waiting lists of applicants for the available units. The review will consider what could be done to make units available without dislocating existing assisted housing applicants if the municipality were to waive its one year residency requirement. The review will be completed next month.

2. The ministry is working with the provincial Indo-Chinese refugee settlement unit in assessing the requirements for the co-ordination of the identification of private market units which could be made available to refugees. Employment and Immigration Canada guarantees the care, lodging and maintenance of all immigrants to Canada. Further, up to 80 per cent of the Indo-Chinese households expected to come to Ontario will be aided by private sponsors. Thus adequate financial assistance and guidance is being made available.

However, to assist those responsible for locating housing—sponsors, local settlement officers, municipal housing co-ordinators, et cetera—a two part approach is being proposed:

(i) In areas where heavy concentrations of refugees are expected, the ministry will provide to an Indo-Chinese refugee housing co-ordinator information on housing supply; an appeal to landlords, by newspaper advertisements or directory, to offer units; and the co-ordination of information from Canada Mortgage and Housing Corporation regarding units they have available for rent.

(ii) In areas where the number of refugees will be smaller, the local Canada Employment Centre will advise the provincial Indo-Chinese refugee settlement unit of the need for a local co-ordinator, who will be provided by the provincial task force.

The housing registry information will be combined with that of other ministries and federal agencies to establish preferred locations which best combine housing, employment and educational facilities.

The effective implementation of these proposals requires far greater information of the composition of refugee families. The ministry will, together with other ministries, continue to request this data from the federal government.

Answer from the Ministries of Education and Colleges and Universities:

The overall policy of the ministries is to assist and facilitate the refugee settlement as it is undertaken by the school boards, colleges and universities. The settlement of immigrant children and adults into the educational system is not a new field, major urban school boards have been preparing for and welcoming such students for many years. The new elements attendant to the Indo-Chinese program are: (a) The dispersal across the entire province, caused largely by the private sponsorship pattern; (b) the large number of arrivals in a short time and without advance notice; (c) the major cultural differences; (d) the trauma attendant upon being a refugee as distinct from having planned to immigrate, and; (e) the almost total lack of capacity in French or English and the lack in many communities of other persons who speak the language of the refugees.

The ministries have developed a four-part plan to facilitate settlement: 1. Information for planning; 2. Materials production and supply; 3. Consultative service; 4. Facilitative assistance.

1. Information for planning: Data with respect of refugee arrival patterns, educational levels and age distributions has been prepared and distributed. It will be updated as more information becomes available.

Arrangements have been made to be present at the federal reception centres in order to monitor the persons coming to Ontario and to better plan their reception.

The experience of other jurisdictions has been obtained and is being used to advise Ontario institutions of potential needs and problems.

2. Materials production and supply: The ministries have forwarded additional materials to the field, in particular such items as guidelines for the teaching of English as a second language.

A special package of curriculum materials has been printed and made available for the use of teachers who have little or no background in receiving non-English speaking children. Over 500 have already been distributed. To assist these teachers as well, a slide and tape program has been made available in our regional offices and seminars are being arranged.

A variety of background material on the refugees including cultural material on the countries of origin has been printed and distributed. A slide and tape program and a videotape service has also been instituted.

A fact sheet explaining the Ontario education system has been published in Vietnamese and distributed across the province.

3. Consultative service: Staff members with expertise in English as a second language are available to assist in the establishment of new programs.

An Indo-Chinese refugee who is a trained educator is being recruited to assist both education institutions and ministry staff. This person will be available to work directly with teachers, refugee students and their parents primarily in areas beyond the metropolitan cities.

A number of staff members are fully knowledgeable about the refugees' arrival patterns, needs, et cetera and are available to assist educational institutions in planning for their reception.

4. Facilitative assistance: The deputy minister has appointed a co-ordinator for the Indo-Chinese refugee program and a communications network has been established so that information can flow rapidly to and from the ministries.

Liaison is maintained with the Ministry of Culture and Recreation, which is the designated lead ministry, and with other ministries and agencies handling refugee matters.

A credentials evaluation system has been created and printed in Vietnamese so that most refugees can have their education evaluated to Ontario standards quickly and without having to come to the Ministry of Education's evaluation centre in Toronto.

The ministries have in place a pattern which is providing a rapid response to immediate needs. They are now refining the operation and developing follow-up programs.

WINTARIO GRANTS

321. Mr. Breaugh: Would the Minister of Culture and Recreation table a yearly breakdown of all Wintario grants approved and all Wintario grants paid out in the riding of Oshawa since Wintario's inception by organization, amount of money per organization, and purpose of the grant? (Tabled October 18, 1979.)

Hon. Mr. Baetz: Because of the volume of information requested, we require additional time for the preparation of the answer. The final answer will be ready on or about November 6.

TAX CREDITS

322. Mr. Ziemba: Will the Minister of Revenue provide the following information re: 1977 Ontario tax credits: 1. Total claims; 2. Total dollar value of claims; 3. Number of audited claims; 4. Number of claims and amount of money paid in error; 5. Number of claims and amount of money recovered by province of Ontario and the federal government. (Tabled October 18, 1979.)

Hon. Mr. Maeck: For the 1977 tax year:

1. Three million claims were received;

2. A total of $435 million were paid out under the Ontario tax credit program;

3. All of the three million claims were subjected to a computer audit matching test. In addition 48,000 claims were subjected to audit for other reasons;

4. Through the OTC audit selection process 85,000 claims were adjusted with a recovery value of $4.9 million;

5. All moneys identified as "recoverable" under the Ontario tax credit program are reimbursed to the province of Ontario by the federal govenment by virtue of the terms of the memorandum of agreement made under the Federal-Provincial Fiscal Arrangements Act.

HUNTING LEGISLATION

323. Mr. Foulds: Will the ministry table a list of the provincial parks where ministry officials have determined that illegal hunting is occurring? Will the ministry also provide a list of those parks in which hunting is now occurring illegally for which the ministry is planning to issue regulations to make hunting legal? (Tabled October 18, 1979.)

Hon. Mr. Auld: 1. This ministry was criticized last year for allowing traditional hunting and trapping in parks where regulations had not been made to provide for hunting under the Game and Fish Act. Subsequently, a directive was issued to all district and regional offices instructing managers to discontinue this practice and to recommend those parks where hunting might be provided by regulation.

2. Regulations to allow hunting, or the possession of firearms only, in all or part of the following 20 parks have been drafted and the areas defined to allow for traditional hunting opportunities on an interim basis:

Northern Ontario: Arrow Lake, Obatanga, Winisk River, Chapleau-Nemegosenda River, Mississagi River, The Shoals, Wakami Lake, Nagagamisis, Fushimi, Polar Bear, Mattawa River, Lady Evelyn River.

Southern Ontario: Restoule, Samuel de Champlain, Grundy Lake, Rock Point, Point Farms, McGregor Point, Long Point—possession of firearms only, Cyprus Lake—possession of firearms only.

CONTENTS

Thursday, November 1, 1979

Remarks of member for Timiskaming: Mr. Havrot, Mr. McClellan, Mr. S. Smith, Mr. Davis, Mr. Speaker 4043

Ipperwash Provincial Park, statement by Mr. Auld 4046

Tributes to Dalton Bales, Mr. Davis, Mr. Nixon, Mr. Cassidy 4046

Industrial inquiry commission on dependent contractor provisions, statement by Mr. Elgie 4047

High-speed car chases, questions of Mr. McMurtry: Mr. S. Smith, Mr. Cunningham 4048

Interest rates, questions of Mr. F. S. Miller: Mr. S. Smith, Mr. Peterson 4050

Job creation, questions of Mr. F. S. Miller: Mr. Cassidy 4051

Recruitment of foreign workers; apprenticeship programs, questions of Mr. Elgie: Mr. Cassidy, Mr. Conway, Mr. di Santo, Mr. Sweeney 4052

Physician immigration, questions of Mr. Timbrell and Mr. Davis: Mr. McKessock 4053

Stephen Truscott, question of Mr. Walker: Mr. Stong 4054

Health service charges, questions of Mr. Timbrell and Mr. Walker: Mr. Breaugh 4054

Burning of PCBs, questions of Mr. Parrott: Mr. Kennedy, Mr. Kerrio 4055

Hunting legislation, questions of Mr. Auld: Mr. Ruston, Mr. O'Neil 4056

Pricing of bill copies, questions of Mr. Elgie: Mr. M. Davidson 4056

Ambulance services, questions of Mr. Timbrell: Mr. Sweeney, Mr. Breithaupt 4057

Labour relations; electronic surveillance, questions of Mr. Elgie: Mr. Mackenzie Mr. Lupusella 4058

Employment development fund grants, questions of Mr. Welch: Mr. Bradley 4059

Report, standing resources development committee, Mr. Villeneuve 4059

Report, standing general government committee, Mr. McCaffrey 4059

Report, standing administration of justice committee, Mr. Philip 4059

Report, standing members' service committee, Mrs. Campbell 4060

Co-operators Life Insurance Association Act, Mr. Lane, first reading 4060

Family Law Reform Amendment Act, Mr. Breithaupt, first reading 4060

City of Windsor Act, Mr. B. Newman, first reading 4060

Assumption Church Cemetery Act, Mr. Bounsall, first reading 4060

Honing Corporation Limited Act, Mr. Cunningham, first reading 4060

Tabling answers to questions on notice paper, Mr. Wells 4060

Private members' public business on resolution 32 re government purchasing: Mr. Jones Mr. Ruston, Mr. Ziemba, Mr. J. Johnson, Mr. Eakins, Mr. di Santo, Mr. Kennedy 4060

On second reading, Bill 145, Fiscal Plan Act: Mr. Van Horne, Mr. Laughren, Mr. Williams, Mr. Peterson, Ms. Bryden 4071

Business of the House, Mr. Wells 4081

Motions re standing committees, Mr. Wells, agreed to 4082

Recess 4082

Erratum 4082

Appendix: answers to questions on notice paper 4083

Use of consultants by hospitals, questions of Mr. Timbrell: Mr. Breaugh 4083

Hospital employment, question of Mr. Timbrell: Mr. Breaugh 4083

Funding of hospitals, questions of Mr. Timbrell: Mr. Breaugh 4083

Opted-out physicians, questions of Mr. Timbrell: Mr. Breaugh 4083

Ministry advertising, question of Mr. Grossman: Mr. Grande 4083

Multiculturalism council, question of Mr. Baetz: Mr. Grande 4084

Ethnic press, question of Mr. Baetz: Mr. Grande 4084

Multiculturalism programs, questions of Mr. Baetz: Mr. Grande 4084

Refugee assistance, question of Mr. Baetz: Mr. Grande 4086

Wintario grants, question of Mr. Baetz: Mr. Breaugh 4088

Tax credits, questions of Mr. Maeck: Mr. Ziemba 4088

Hunting legislation, questions of Mr. Auld: Mr. Foulds 4088

SPEAKERS IN THIS ISSUE

Auld, Hon. J. A. C.; Minister of Natural Resources (Leeds PC)
Blundy, P. (Sarnia L)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cunningham, E. (Wentworth North L)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Davison, M. N. (Hamilton Centre NDP)
di Santo, O. (Downsview NDP)
Eakins, J. (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Havrot, E. (Timiskaming PC)
Johnson, J. (Wellington-Dufferin-Peel PC)
Jones, T. (Mississauga North PC)
Kennedy, R. D. (Mississauga South PC)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Lupusella, A. (Dovercourt NDP)
Mackenzie, R. (Hamilton East NDP)
Mancini, R. (Essex South L)
McClellan, R. (Bellwoods NDP)
McKessock, R. (Grey L)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
O'Neil, H. (Quinte L)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Ruston, R. F. (Essex North L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Swart, M. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Van Horne, R. (London North L)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)
Williams, J. (Oriole PC)
Young, F. (Yorkview NDP)
Ziemba, E. (High Park-Swansea NDP)

Ontario

No. 98

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, November 1, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

STANDING SOCIAL DEVELOPMENT COMMITTEE
(continued)

Resumption of the adjourned debate on the motion for adoption of the report of the standing social development committee dated June 19, 1979, re Lakeshore Psychiatric Hospital.

Hon. Mr. Gregory: Could we just have a clarification that the debate will be split two ways during the evening for the two debates, the Ombudsman and Lakeshore, the three parties having equal time? Is that correct? Then a vote will be taken at 10:15 on the Lakeshore—

Mr. Nixon: If necessary.

Hon. Mr. Gregory: —if necessary, and then we resume the debate on the Ombudsman until 10:30?

Mr. Nixon: Agreed.

Hon. Mr. Gregory: Thank you.

Mr. Lawlor: We have come to a consummation, I suppose.

Obviously, from the attendance in the House, the Lakeshore is not a burning issue, although to get the thing started the minister said it was. He said the potential for fire and the fact that the place itself was a firetrap was a determining factor in closing it as an in-patient facility.

I've always taken considerable issue with and some degree of personal umbrage at that because I attended the initial statements the minister made to the press and that was the issue that turned the press and all subsequent conversation awry. It was unfair. It was proven to be quite misleading by abundant testimony. Nevertheless, it was a most advantageous initial stance for the minister and the ministry to take and they took full advantage of it, highly to their credit. I think the minister would have to concede that point at this stage, after the event, of course.

Initially I would like to bring into the record what I have said of recent date to my constituents in a report on this particular issue. There is a delightful picture of the Lakeshore Psychiatric Hospital on the report for anyone's perusal. I'm quite prepared to table the document if it comes to that.

"Lakeshore Psychiatric: the closing by the Honourable Dennis Timbrell"—notice I want to get that name in there because it's one that will have a fair amount of infamy in the Lakeshore area for generations to come, I trust. I don't mean that as a particularly insulting remark. Due to our recent experience on this in this House, I think that's fair game.

"—the Honourable Dennis Timbrell, Minister of Health, of the inpatient wards of the hospital which has so well served our area and a much larger territory for so many years, is a mistake and will be seen to be such.

"With several of my caucus colleagues and with very little help from other parties, I fought it, asked innumerable questions, forced the issue into committee for five solid weeks of investigation and the interrogation of 41 witnesses. The strong weight of evidence was that it should not, in the face of increasing population estimates, with the overcrowding and diminished care which would no doubt take place at Queen Street, the disruption of the lives of the patients and the medical and other staff, and the loss of jobs, be closed.

"Nevertheless, the government has gone ahead and already the consequences in patient relations, in a suicide, in putting ill patients back on the street, in assault on the staff, are beginning to appear. The long fight in which we were assisted by the union, OPSEU, did have two beneficial results:

"1. The outpatient services have been basically retained. The cutbacks in the alcoholic unit have been a particularly regrettable exception"—and I'll have a few words to say about that.

Hon. Mr. Timbrell: Mr. Speaker, on a point of order. Would the member be so kind as to send me over a copy of that? There's some reference there to suicide and I may want to take issue. I'd like to read along, if I may.

Mr. Lawlor: Yes, the minister will get a chance to speak and say what he wishes about these things. That inquest has just been terminated and we can address our attention to that.

"The adolescent and child-care unit is there under another ministry and will remain on the grounds indefinitely.

"2. And the land shall be retained in government hands, not sold, and may in future be used for housing, perhaps senior citizens'.

"I, in general, in line with the government's own McKinsey report, will continue to press for some inpatient facilities"—they will be sorely needed—"and more particularly for a new smaller hospital on one portion of these present grounds."

Just a word on the retained, or not quite retained, outpatient services on these grounds. The dialysis unit has gone to Whitby. Some of the children's matters have been moved, not to Queen Street, but up to Thistletown. As I say in my report, the regrettable thing is that the detox unit was emasculated. I trust the minister over a period of time gets a certain amount of flak on that particular thing. The steelworkers, the automobile workers and many professional people in the community resorted on an extended-treatment basis to that particular hospital which has been foreclosed.

The inpatient facility there has been decimated. That is most regrettable when one considers the vast amounts of money that come in through liquor taxation. For this province not to be able to provide for a unit of that kind, which was a model in its field, praised, inspected and looked at by other jurisdictions, and not to have retained that facility as it was is a retrograde step indeed. A certain degree of castigation should be directed towards the ministry in that particular piece of rationalization, if that is what it is called. When it reaches that stage, it becomes quite irrational.

The ministry, under the impress particularly of the Canadian Mental Health Association, had given some indication, I thought, during the hearings that a full-systems approach was the approach of the ministry generally. Not necessarily being too cynical about these things and trying to give the best measure of good faith in what government ministers and departments seem to assert, I thought that was in accord with the prevailing philosophy of the department.

In any event, on the basis of certain assurances and a kind of understanding, the whole thing has gone ahead. The cynicism arises, in thinking in advance of that, that it was not too likely to take place, nor can the minister point to any great evidence of that coming into being on the lakeshore or otherwise. That is a fairly costly venture. With the government's present restrictive mentality, I don't think it is too likely we shall see it moving into the area from which it got a fair amount of accord for the closing of the hospital on relatively false pretences. It is not in the books, as I see it.

I am not going to resort to this letter at any great length. In our hearings of a few days ago I read into the record the bulk of the letter of October 10 from the Canadian Mental Health Association. In it they make specific reference to this. They asserted that in giving their imprimatur to the closing of the hospital it was on that understanding and condition and solely on that condition. This was the major body appearing before us in the hearings that did give some kind of consensus or accord to the move the ministry was proposing to make.

They say in their first paragraph: "Our association proposed a community-based planning process to develop a community mental health-care model, incorporating inpatient services, residential alternatives, after-care services and recreational and social-support services."

I will jump a paragraph and go to the third paragraph: "However, your recent announcement of programs to be funded in the Lakeshore catchment area indicates that your ministry has not developed a community-based model for service delivery."

That, with respect, was predictable. The gyrations, the subterfuges and the disguises used in the process were for anyone acquainted with the machinations of contemporary government to be expected. To come along after the event and appear to say they are surprised at this indicates to me a certain degree of naivety. In any event, I think some kind of justification for leaving that impression lies with the ministry. I would be pleased to hear what the minister has to say about it.

In the fourth paragraph they say: "Our association is very concerned about the implications of such a choice. We believe that we are observing a process of unplanned institutionalization rather than planned deinstitutionalization." That is quite a mouthful. "We are particularly concerned with the immediate effects of the Lakeshore closing upon patient care."

I will not dwell on the letter unduly or in any overweening way. The minister has had it read to him. We didn't have much of a chance on that last occasion for a conversation or a debate arising out of it, but it's there and it's there for him to answer and to justify. And I do not believe he can do it.

As a component of this and as a vector coming out of it, the whole housing problem has escalated since the date of the spring hearings when we last discontinued. I wonder what liaisons the ministry may have with the housing people. The Parkdale situation has erupted. Certainly no provision to my knowledge has been made in the Lakeshore surroundings with respect to making accommodation or integration of the community.

We all concede it is better to have the people living in the community, rubbing shoulders with their friends, shopping in the stores, living normal lives as much a possible, rather than having them institutionalized, et cetera. We all concede that. But what provision has the minister made for that and what lines has he set up to make this a working and feasible model? None that I can see. The amount of money available to even venture upon that process is negligible.

I have some accusations to make. I'm going to make a prefatory statement and say I wish I could come with case histories. What I am about to say has to do more with rumour; with what I hear and some phone calls I got. It is not made up out of the air; it's things people have said to me in the past few weeks.

One of them has to do with why Queen Street is not at capacity at the present time. I put to you, they have a highly restrictive admissions policy. It is easy enough to keep a measure of margin if people are turned away.

There's a second thing that I suggest is happening and going on and will continue to go on as long as that facility remains in that state. The government doesn't do what has been suggested it might do, and which I will reiterate before I sit down. The discharge rate is excessive. The jettison of people into the street in order to retain hospital beds and elbow room in which to move is another factor that's operative.

I'll go this far on admissions policy. Some weeks ago I got a call saying that a woman from a nursing home in the Lakeshore had been taken to the Queen Street hospital and they refused to admit her. She was hysterical and very difficult to manage. After some argumentation they took her back to the nursing home where a considerable fracas erupted and they forced the woman out on to the street, after phoning the police. They went out and spoke to the police and the police took the woman back to the hospital. Three hours later, I understand, she was admitted.

This is the kind of rub that was anticipated and this is the kind of thing that comes about. I think there is going to be an escalation of that. Because of these criteria conditions in the hospital are not yet in a state of overcrowding but, by and large, every nook and cranny of the hospital has been allocated to hospital beds. The elbow room isn't all that great. The recreational areas have been converted. Space previously used for dining has been converted. I think the minister used every strategem and piece of architectural drawing he found in order to accommodate his somewhat nefarious purpose in the whole process and in order to be able to justify actions taken in conjunction with senior staff at that particular hospital.

All the way along the line, from every witness we heard, never did we hear in a single instance anyone who said the $1.3 million the minister was going to allocate in an expansion program around the closing and in terms of the outpatient thing, which is pitiably modicum, would serve the purpose at all. The minister has no experts or anyone who would back him up on that one.

He says he is going to save $2.6 million by the closing, but I don't think he'll save a fraction of that. I think he should be honest enough to admit it to the House. As a matter of fact, the closing may actually involve him in extra money costs. In any event, the minister is not saving what he thought he would save on the basis and pretexts on which he did the closing initially and which he gave as the major justification for this kind of thing. He's going to roll half of that sum back in. I don't see any basis upon which the minister is doing that. I think he has some obligation, as we wind up this debate, to give an indication of precisely what he is doing in this particular regard.

One of the things, one out of a prolonged engagement over this closing, was the retention of the hospital grounds. I'm asking the minister tonight whether there are any further plans in his portfolio with respect to the utilization of those grounds. I'm saying to him he will find, within two years, there will be considerable problems of overcrowding, of restricted space, of dislocation, human and otherwise, in the Queen Street facility as it stands, and it is well he retains the Lakeshore grounds as a possible overflow area, as a conduit pipe to safety when the occurrences I predict occur and recur within the context of that hospital. I think the minister should leave things fallow for the time being just to see how they develop, apart from the work for which I give him

some credit which is the expanding of the workshop facilities and making certain therapeutic working conditions available and upgrading them. That is a move forward.

As I said when I stood up, this is not the last the minister will hear from me on the Lakeshore closing I'm certain, so let him not breath a premature sigh of relief and settle back as though this issue, by any means, is finished. As far as I am concerned, it is not. It was a thunderous blow to the area I represent and to many of the people who are there. I put it to the minister, there are people who will not—albeit they should and although they may be referred to the Queen Street hospital—go there. Living in the Lakeshore area, many mentally ill people wandering around the streets of Lakeshore will not go to his Queen Street facility. It's too far away.

Secondly, there are the dislocations. They have formed into relationships, as people who are ill do, with the people who care for them. I use the word "care" advisedly. They've set up affectionate relationships with staff and doctors in the Lakeshore hospital over many years. That was severed and cannot be reconstituted. Those cords cannot be rebound. The minister has left many human beings derelict in this area. It's on his head. The action need not have been taken in the form that it was. Some degree of inpatient facility could have been retained.

On the basis of the McKinsey studies I will say for a final time—I'm sick of saying it and the minister is sick of listening to me, so we're both becoming sick, I hope not mentally so. My stomach rumbles at the moment in this regard. I will say some small portion of the funds that the minister subsequently found for general hospital purposes, et cetera, could have been and still can be allocated to a much smaller hospital on those grounds. This would leave plenty of space and it would be a safety valve for the whole operation, giving an affirmation to the basic concept of a non-monolithic mental hospital, a community hospital where people who are mentally ill are best served and given the greatest sense of—

Mr. Speaker: The honourable member's time will be up in about five seconds if we're going to have an equal sharing of the time.

Mr. Lawlor: I didn't realize I had any time.

Anyhow, I want to thank the union and I thank the volunteers at the hospital and those witnesses who testified according to their conscience in this regard. As I sit down, the minister has not heard the last of it.

Mr. Conway: I'm mindful of the agreement whereby we will conclude this part of the debate at 9:15 or thereabouts.

I want to make some remarks about a matter that has occupied a considerable amount of my attention, as it has, I know that of the member for Lakeshore and others here in the assembly during the course of the early summer and late spring of this year.

When I recall the way in which the decision was made I can certainly agree with my friend from Lakeshore when he said the Lakeshore debate began as a burning question. Many of us well remember the kind of climate that was created by the Minister of Health with respect to the firetrap that was alleged to have been existing out in the facility in question. Many of us, not as informed as we were later to become, were disposed to accept entirely the minister's and the ministry's word in that connection.

My party, through my leader and myself, indicated that for that and other reasons the policy decision the minister announced at the time was acceptable to us.

I want to recount some of the background to the inquiry that brought us together in the social development committee this past spring because I am concerned about an impression left by the previous speaker with respect to the assistance rendered by other parties.

I remember being at a public meeting in Port Credit with the members for Mississauga South (Mr. Kennedy) and Lakeshore to discuss the decision that had been announced by the Minister of Health with respect to the closure of Lakeshore Psychiatric Hospital. I remember that night because at that time a reasonable doubt had begun to form in my own mind about the minister's case with respect to the closure of Lakeshore. On that night many of the arguments that had been put forward by the opponents of the closure of Lakeshore, I thought, were brought together in a particularly meaningful way.

[8:30]

I mention it because that night and before, many—particularly those involved with the union at the hospital—had very properly brought forward their concern about what was happening and why it was happening. I recall at least two occasions when union representation was made to me asking for my support and that of my colleagues for a public inquiry into the Lakeshore matter.

I said at the time that I was not initially disposed to accept such a proposal because, as I had indicated to the group, the decision had been accepted on a prima facie basis by my colleagues and my leader in January.

As more and more doubt began to develop, more and more good argument was brought forward by the opponents, I became personally more receptive to the notion of an inquiry, but not to the kind of inquiry being asked for by the union leadership at the time. I said to them, and I will repeat now, the sort of public inquiry being asked for at the time struck me as the easiest kind of matter to agree to. We all know, privately, those sorts of inquiries can only be agreed to once the government is prepared to accept them. There was no reason to believe this Minister of Health and his cabinet colleagues were going to initiate a public inquiry so quickly after they had made the decision.

I said to the union leadership, and I well remember saying to my friend from Lakeshore at Port Credit that night, I felt an inquiry was perhaps justified; and that if we were going to have an inquiry it was important to have an inquiry involving politicians and which would be held before the Lakeshore hospital was closed down and phased out.

I may stand corrected, but I don't believe I will be. On that particular occasion I suggested to the member for Lakeshore that I would be quite supportive if, as the local member, he initiated under the standing order involved a special reference to the social development committee that would refer the annual report of the Ministry of Health for a special examination of the Lakeshore decision.

As I remember it, Mr. Speaker, that is some of the history that led to the special reference that created the inquiry into this matter.

The evidence brought forward on that particular occasion was not as conclusive as I thought it might have been. There was a fair degree of difference among certain of the people who appeared, particularly from the professional psychiatric community. There was, I might add, no such difference of opinion from the community associations that were very anxious to make their concerns known to us about what was being attempted.

I can join with the member for Lakeshore in recalling to your attention, sir, the fact that a good number of very dedicated, hard-working and long-standing friends of Lakeshore came before our committee and expressed a deep, deep degree of resentment at what was being attempted; the implication of a severance in the relationship between that particular institution and the catchment area, of the community base that had grown up around it in 89 years. There was, as I recall, an almost unanimous agreement in that connection.

Other things surfaced, not surprisingly. In the social development committee we were treated once again to a discussion of a health-care policy decision that was being dressed up in the interests of good health-care planning, when everyone had to acknowledge that there was really only one principal rationale for what the government was doing in this connection, and that rationale was budgetary and financial.

The member for Lakeshore points out, and the report acknowledges, the existence of a very expensive report done by one of the expert consulting groups in the health-care field which indicated to this government that the rebuilding of both the Whitby and the Lakeshore facilities should be proceeded with.

In the course of the hearings which we held this spring in that committee it became abundantly clear on this matter, as it was to become clear on other matters later, particularly the new active-treatment bed ratios for the public hospital sector, that this was a Minister of Health and this was a government making decisions in the health-care field not on the basis of good health-care planning imperatives but rather on the basis of pure budgetary consideration.

The witnesses who appeared were extremely helpful. I want to recall an incident which I know the members of that social development committee can remember as well as I can tonight. That was the letter which was written to the chairman of the committee, the honourable member for Huron-Bruce (Mr. Gaunt), in the last week of the hearings, from a medical group at the Queen Street Mental Health Centre. It was a letter which was very critical of the planning that had or had not gone into this decision, a letter which raised significant professional medical concerns about what was going to be expected of the now-much-enlarged Queen Street mental health centre.

I remember reading that letter on the front page of the Toronto newspapers. I remember the next day seeing it in the committee. I well remember the, I think, unanimous agreement of all members to invite the authors of that committee to appear before us.

If I recall the timing of this correctly, the letter became public in the middle-to-late part of one week, and the invitation was sent out so these doctors from Queen Street could appear, I believe it was, the Monday of the

next week. Those doctors from the Queen Street mental health centre did appear before the committee, I think on the following Monday afternoon.

Mr. Lawlor: The biggest brainwashing operation since the Gulag Archipelago.

Mr. Conway: But they had made one stop along the way. From the time that letter was authored and dispatched by those physicians from the Queen Street Mental Health Centre to the time when they appeared before the standing committee on social development, those doctors had had a special invitation to attend at the Hepburn Block for a discussion with senior ministry staff.

Strange as it might seem—

Mr. Lawlor: Still can't get over it.

Mr. Conway: They appeared before our committee infinitely less critical, much more accommodating, much more expressive of their support of the ministry initiative than any reading of that earlier letter might have created the belief for.

Some of us cynical, sceptical oppositionists were forced to conclude some very negative things, privately to be sure, about the way in which this invitation had been offered and discharged.

I suspect now, as I did then, that the content of that letter spoke very directly to the kind of real inhouse concern that was involved with the minister's decision of January 1979 with respect to Lakeshore-Queen Street.

I remember as well a witness from the Hamilton psychiatric facility appearing before us and indicating that for his part there could be little expectation that Hamilton would play a very major role in the reallocation of catchment area. From his point of view there was not a great deal of consultation and not a great deal of planning in the discussion that led to this decision.

I suppose it is tiresome to repeat what we were forced to conclude, which was that once again this poor, beleaguered Minister of Health was being forced to carry the message from the Treasurer (Mr. F. S. Miller) that there was not a priority, there was not a commitment to provide the kinds of funds required to lay out the sort of institutional and community-based resources needed for the mental health sector for this part of Ontario.

The lack of planning, the kind of ad hockery that surfaced in that particular committee was only to be repeated when we got to our second reference. I will repeat again, I think this committee has probably done more than it should ever have done in assisting this poor beleagured Minister of Health in battles so many and so lost, from his point of view, with his cabinet colleagues.

We have in that committee, I suspect, Mr. Speaker, given this Minister of Health some kind of clout that he has not been able to manufacture himself when it comes to arguing a strong and successful case in cabinet. When we, in that committee finished with the Minister of Health this particular spring, I am not afraid or ashamed or embarrassed to suggest that his hand was strengthened by the very embarrassment he was forced to digest in the public view.

Mr. Lawlor: Just like a self-feeding chameleon.

Mr. Conway: I want to say in concluding, and I am going to indicate that my colleagues from Sarnia (Mr. Blundy) and St. George (Mrs. Campbell), if time permits, will be adding their point of view to this particular discussion, that we too will be monitoring the Lakeshore decision with the kind of interest that the member for Lakeshore has indicated.

We too shall remember—I shall never forget—what was done in the early stages of this particular negotiation and this particular policy decision. Jed Baldwin says there is no reason for a citizen to believe very much, if anything, of what his or her government says about public or private policy. This may be a small point in his mind but it's not in mine, after hearing, and being on a preliminary basis disposed to accept some of the critical arguments in favour of closing Lakeshore—and I am going to come back again to the point at which I began the burning matter—after seeing the way in which that particular fear was dealt with by the expert witnesses in testimony in the committee, it will be a long time before I extend to the government, and in particular to the Minister of Health, the initial goodwill to accept preliminary statements as I might have previously

In the matter of Lakeshore, we have two or three examples which regrettably proved the cynicism sometimes brought forward from this side. As I have indicated in this particular case, we were led down a path that had not much to do with the relevant facts of the case.

Mr. Deputy Speaker: The member for Durham East.

Mr. Cureatz: Sorry, Mr. Speaker. I was just coming in to take a look at who is in attendance at the assembly. I am not taking part in the debate.

An hon. member: Now you can leave.

Mr. Deputy Speaker: The member for Scarborough West (Mr. R. F. Johnston).

Hon. Mr. Timbrell: On a point of order, Mr. Speaker, are we not sharing the time three ways and has the time of that party not expired? I will be the only speaker for this party in summing up the debate and I understand that the time had expired when the Speaker was in the chair, sir.

Mr. Conway: On that point of order, sir, the House leader is not here. It was agreed, on the suggestion of the government whip, that there would, in fact, be an agreement that the time would be shared by the three parties in the amounts of 25 minutes per caucus and that you judge our time accordingly. [8:45]

Mr. Deputy Speaker: The member for Sarnia.

Mr. Blundy: I am very happy to have a short participation in this debate. When I look back on the activities of the social development committee in this regard, I think back on what we were told about the hospital, that it was a group of very deteriorating buildings and that some of them were firetraps and so forth.

At that time I rather agreed with what was being proposed, but later on the committee had the opportunity to go out, view and tour the buildings and the property, and I was really pleasantly surprised to see what I found. The buildings were old buildings, but they appeared to be very well maintained and usefully serving the needs of the area. Then we had a great many references to the McKinsey report, which called for the rebuilding of the Lakeshore hospital at that site and extolled all the reasons why it would be preferable to have this facility continue to serve that area of Metropolitan Toronto.

When I look back on the entire sessions of the committee, it seems to me that everything the committee did, every delegation that came before the committee and every conversation that took place in the committee was after the fact. It seems to me that the ministry's mind was made up right from the beginning and we were wasting our time.

The minister did say in his address to the committee on April 23 that $1.3 million is to be allocated towards community services. This is one thing that was brought to the attention of the committee by one speaker after the other, speaking of the services that were available to the people of the lakeshore area by that old institution.

I want to put on record that I believe this is one more situation where community services were spoken of a great deal more than they were planned for. I would like to read just a very brief section from the minister's statement so that I may pose a question to him. He is talking about what is going to happen and then he says:

"To continue, various new services for the areas affected by the scheduled Lakeshore closing have been proposed as well. These include the establishment of new mechanisms for co-ordination of mental health services in Etobicoke, North York, Toronto and Peel, as well as the establishment or expansion of rehabilitation, counselling in medication, monitoring programs, group homes and other residential accommodations, expanded outpatient day-care and crisis intervention services, special services for psychogeriatric patients, activity centres and services for patients in their homes who are unable to leave home for treatment or for whom home treatment is an appropriate therapeutic method."

There is a litany of very desirable community activities, and I hope the minister will be able to tell me and the other members of this House how he is progressing in the provision of those very desirable services in the community and how the $1.3 million so allocated is working out.

Mr. Deputy Speaker: That completes the allotted time.

Hon. Mr. Timbrell: I want to respond to some of the points made tonight in the 25 minutes I have.

Mr. Deputy Speaker: You have 22 minutes.

Hon. Mr. Timbrell: I have been concerned all along at the way in which my personal views about the condition of the buildings at Lakeshore and their status has been taken by some members.

I want to start off by pointing out that in the statement I made on January 22—in that official statement of the closure of Lakeshore Psychiatric Hospital along with a few other matters and the rationale behind it—I did not include any reference to the facilities other than to say the McKinsey study had recommended rebuilding both Lakeshore and Whitby. I said we had found upon reviewing the matter that because of the availability of facilities at Queen Street Mental Health Centre and Hamilton Psychiatric Hospital, and the apparent lack of sufficient capital dollars in future years to carry out that recommendation, that we were accepting the recommendation to rebuild Whitby but not to rebuild Lakeshore.

It is certainly correct that later in the press conference and the question-and-an-

swer sessions following my reading of that statement—I can't recall who asked the question or specifically what the question was—I was prompted to say that in my own view I did consider the facilities to be a firetrap. I still do.

Suffice it to say that one can point—in the material which was tabled with the committee and the evidence heard by the committee—to statements that would suggest that with certain renovations or drills that's not the case. One can also point to the accreditation survey from March 1978 and the McKinsey report for references to the condition of the building, the wiring and the fact that the upper floors have been closed due to concern over fires. That was and is my view but I want to enphasize it did not form part of the official statement on the closure and the reasons behind it.

I had hoped that the member for Lakeshore would have sent me over a copy of his riding newsletter by now and I'd still like to see a copy if that's not asking too much. I'm concerned about the reference to a suicide.

Mr. Lawlor: You can have it, but not being a constituent you don't deserve it.

Hon. Mr. Timbrell: I do pay taxes which paid for that and the postage and I think just as a favour I'm asking—I'll even reimburse the member; I'll pay an extra amount over and above the taxes.

Mr. Lawlor: Move into Lakeshore and you can vote for me.

Hon. Mr. Timbrell: That's hardly likely, but anyway it concerns me that the member would raise that awful spectre and just leave it hanging—suggesting that a suicide was attributable to this.

Mr. Lawlor: Shame.

Hon. Mr. Timbrell: The member is right—shame. It's a shame to make that kind of suggestion in the middle of what is supposed to be a serious debate.

Mr. Renwick: Shame on you. I know what you're about to do and you cannot do that in this debate.

Hon. Mr. Timbrell: The fact of the matter is I think the member—

Mr. Renwick: This is a distortion of the debate.

Mr. Lawlor: You do it every damned time. You take a niggling point and—

Mr. Deputy Speaker: Order, order.

Hon. Mr. Timbrell: Mr. Speaker, I do not consider suicide a niggling point as the member for Lakeshore says. I do not consider something as serious as the taking of one's life as a niggling point.

Interjections.

Hon. Mr. Timbrell: The member is not going to leave that sort of thing hanging in this debate when he knows very well that during the course of a recent coroner's inquest into the unfortunate death of an individual on those grounds there was no reference drawn to the closure of Lakeshore.

Mr. Renwick: The debate should be on the report.

Hon. Mr. Timbrell: There was certainly no connection drawn in the conslusions of the coroner's jury or in its findings. In fact its one recommendation had to do with a central registry.

The honourable member also, I think, took great liberties back in September in the comments he made about three individuals living in a boarding-home in Beaverton, Ontario.

I won't take the time of the House to read again into the record the letter which I sent to the editor or publisher—I'm not sure of his title; probably publisher—of the Beaverton paper—

Mr. Eakins: The Beaverton Express.

Hon. Mr. Timbrell: Thank you. I drew to his attention the serious errors in the research behind that article. I also drew to his attention that it is impossible to estimate the damage done to those three individuals and even more impossible to know how it could ever be undone.

Mr. Lawlor: I had nothing to do with that.

Hon. Mr. Timbrell: I was disappointed to see the honourable member on Global TV—

Mr. Lawlor: Who, me?

Hon. Mr. Timbrell: Yes.

Mr. Lawlor: I had nothing to do with it. I don't know what the minister is talking about.

Hon. Mr. Timbrell: Well, I'll get the member the tape.

Mr. Lawlor: You're out in left field.

Hon. Mr. Timbrell: The reasons for moving to close the inpatient programs at Lakeshore Psychiatric Hospital are by now well known. We found that by a small change in the catchment area for Hamilton Psychiatric Hospital to include the eastern half of Halton region and by adding the balance of the Lakeshore Psychiatric Hospital catchment area to Queen Street Mental Health Centre, we could accommodate all of

the inpatient needs. We have done this and done it well.

At one point I think one of the honourable members suggested there had been a severance in relations between patients and staff. Virtually all the clinical staff transferred with the patients so those relationships and those connections have been retained.

As well, the outpatient programs and the staff at the Lakeshore campus of Queen Street Mental Health Centre have been retained. I am therefore pleased to say that concern has no foundation.

I am not sure which member raised it, but there was mention that "every nook and cranny has been filled with patients," suggesting there is no room left over. At least, that is the impression I got from what the member said. In fact, this hospital was designed and built to accommodate 700 patients with ancillary services—dining, laundry, recreational facilities and so on.

Renovations are under way and will be completed before very long that will ensure that the original design is carried out, that people are well accommodated both in terms of living accommodations as well as ancillary recreational and day-to-day living services with respect to the programs the member for Sarnia asked about—I think he was reading from the press release.

Mr. Blundy: Yes.

Hon. Mr. Timbrell: I think he is aware they were developed with the assistance of community representatives drawn from all the municipalities served by this facility and were endorsed by them.

The member for Lakeshore read into the record portions of a letter from the president of the Canadian Mental Health Association, Metropolitan Toronto branch. I would like to read into the record a few paragraphs of my response of today's date to that letter, which I think answers the key points.

First of all, I say:

"All of the services being funded by adult community mental health are outpatient programs. Over the past 20 years or so, and consistent with the recommendations of the CMHA-sponsored study More for the Mind, this province has been actively supporting the development and operation of assessment, diagnostic and treatment services in general hospitals. As a result, general hospitals now provide ready access for our citizens to these services.

"Also, as a result of this trend, the technology of program design and development has tended to be more easily understood and accepted by the general hospitals, which have been able to provide us with balanced and well designed program submissions on relatively short notice.

"In addition, all proposals, including those from the general hospitals, were reviewed by the community representatives from Peel, Etobicoke, York, North York and the city of Toronto, and our final choice has received their wholehearted support."

The lady went on to express concern about the effects of the closing of patient care, and if I may, I will quote a later part of my reply to her:

"With regard to the comments about the effects of the Lakeshore closing upon patient care, I would like to respond by informing you that an increase in inpatient occupancy is being experienced by Queen Street, but this is not doubling, as suggested in your letter. This has come out in several letters and is not supportable.

[9:00]

"Admission policies and procedures for Queen Street are being reviewed to better co-ordinate services between Queen Street, the general hospitals and the community. My staff also informs me that the increase in admissions does not appear to be directly related to the Lakeshore closure, since many of the admissions are coming from the greater Metropolitan Toronto area."

I also went on to point out that we, as a government, have submitted to the municipalities a proposed draft bylaw to promote in the municipalities, other than the city, the development of group-home bylaws. This is something that has occupied the time of a great many of us. We are trying to convince our councils in the suburban areas that they have as much responsibility as the city of Toronto to ensure that our people, who have had the misfortune to be mentally ill, get the required form of residential accommodation between institutions and home. They should pass bylaws to that effect.

I mentioned that now because I think the suggestion was made that there has been an increased pressure on the Parkdale area. This is something we've looked at a number of times. I'm advised that we have not had an increase in homes-for-special-care beds in the area. We have not had an increase in the number of residents in the area.

I would remind the member that even before Lakeshore closed, because of the Toronto bylaws and the development over the last decade of a number of boarding homes in that area, there were and are a lot of former residents of Lakeshore Psychiatric Hospital and the Queen Street Mental Health Centre.

The closure has not, in fact, resulted in an increased occupancy in that area.

On the question of jobs, I'm pleased to say that with the co-operation of the union and our human resources branch and the whole government, as well as the public hospitals, I am advised today that we are now down to 20 individuals whose layoffs remain in effect. Efforts continue and will continue to accommodate these individuals as vacancies occur in the public service for which they are qualified.

Mr. Speaker, there's no question this was one of the more difficult decisions that had to be made this past year of my tenure in this ministry. Given all the things I have to consider—the facilities with which we have to work, the future of them, the money available to replace them—I believe the decisions we have taken to move the inpatients, to expand the community mental health programs with part of the savings are in the best interests of our patients and other communities which we serve.

We will continue to monitor this very closely. The hospital council of the Metropolitan Toronto area has on its agenda in November, for instance, the question of mental health services. I would anticipate that in the next year, as we bring into being the new district health council for Metropolitan Toronto, one of its first priorities would be to establish a mental health subcommittee to monitor and to make comment from time to time on the mental health needs of the greater Metropolitan Toronto area.

This has been a difficult decision. I want to commend the staff of both hospitals for their diligence in bringing together the merger of the inpatient programs, the continuation of the outpatient programs and the development of the new community programs. It has gone on amazingly well considering the enormity of the task. We look forward to the future in the sure knowledge that these people are as professional as they are and will ensure that we maintain the quality of our programs.

Mr. Deputy Speaker: There are five minutes remaining. The member for St. George.

Mrs. Campbell: I rise at this time because much has been said about the statements the minister made initially, and he has sought to clarify that situation, but what he hasn't clarified for me is whether those agencies in Toronto, which are providing home health service, those agencies which he said are not properly in the health field but has consented to allow to be funded to the end of the year by local board of health of the city of Toronto, have been consulted. Has anybody consulted those agencies as to their perception of the increased demands upon them as a result of the actions of the ministry?

Hon. Mr. Timbrell: Could I just ask the member for St. George, as a point of clarification, to be specific as to which program she is referring to?

Mr. Conway: Where in the standing orders is a point of clarification?

Mrs. Campbell: Mr. Speaker, the minister knows the spokesman organization for the three. He knows the Dixon Hall situation, he knows the Central Neighbourhood House situation, or he should, and he knows the Toronto West situation. He has said across this province that as far as he is concerned with the deinstitutionalization generally, and Lakeshore specifically, there will be no loss of service as a result of this closing. I would ask him to have that matter referred to this organization which is going to be discussing and monitoring the effects of the closing of Lakeshore. It is vitally important he at least assume responsibility for the problems which they have incurred as a result of this closing. It is, it seems to me, a health matter.

I was very interested in the minister's remarks of his priorities about the decision, because nowhere did he put at the top of the list, the need of the people. That was put nowhere at the top of the list. They came along somewhere down the line to be accommodated within a financial restraint.

I would like to see, down the road, a very real report on the effects of this closing as I perceive it and as others perceive it. I would hope the minister, too, might go into the Parkdale area and speak to the people in that area as to their perceptions of what is happening, and the fact he disavows responsibility for the care of people in that area, for setting any standards for the care of the people in that area again resulting, at least in part, from his decision to close this hospital.

Hon. Mr. Timbrell: Mr. Speaker, if I may just take a few brief seconds to respond—

Some hon. members: No

Mr. Deputy Speaker: Order. The time has now expired. I wonder if the member for St. George would adjourn the debate so it could be dealt with further at 10:15 p.m.

On motion by Mrs. Campbell, the debate was adjourned.

SELECT COMMITTEE ON THE OMBUDSMAN
(continued)

Resumption of the adjourned debate on the motion for adoption of the recommenda-

tions contained in the seventh report of the select committee on the Ombudsman.

Mr. Deputy Speaker: I believe the member for Lakeshore is in the forefront again.

Mr. Lawlor: It's a busy night. It's regrettable that this should happen to be the night; I would rather have spent a very pleasant time with Peter Mosher and the others. However, as chairman of the committee I think I have some minor responsibility in the matter and I would like to give some indication to this House of the functioning at this time of this committee, and more pertinent the work of the Ombudsman of Ontario.

As far as the committee is concerned our work, I believe—these are famous last words—is getting easier. It may be there will be a time in the future when that committee need not exist. In any event, the degree of co-operation now operative among ministries vis-à-vis the Office of the Ombudsman of this province is clarifying. It's in gear and salubrious. That's a welcome change to the previous hostility, the hand-raised-against-every-man attitude that existed at an earlier time.

This applies in a broader aspect too to the various boards and commissions of Ontario, particularly after they were bludgeoned in one of the higher courts of this province of recent date. They were told; "No, you must come to heel and you must give cognizance to the role and function of the Ombudsman of this province. The legislation on any interpretation says that you are subject to and must be amenable to the provisions of that statute."

The range of jurisdiction of the Ombudsman is falling into place and is becoming more determinate. That in no way takes away from the responsibility of the Attorney General of this province to devise a list of what are—if he happens to know what they are—the bodies and agencies that are subject to and ought to be subject to the Ombudsman.

In every future piece of legislation coming before this House, there ought to be written into it a section explicitly stating that that new agency, and they're being created every hour, is subject to this particular jurisdiction. That wasn't spelled out initially and we found that it's a great fault. The Health Disciplines Board has been disciplined and has fallen into line.

The effect of that throughout the whole of the bureaucratic structure is, as I say, a cause of rejoicing, et cetera. I got a call this afternoon from Mr. Larry O'Brien, who acts as the liaison officer appointed by the Workmen's Compensation Board, Ontario, to work closely with the Ombudsman's office. Previously they were further apart from one another than we are across the floor of this House—as one of my colleagues used to explain, the length of two sword blades; once in a while the swords nicked and the blood flowed.

Mr. O'Brien was appointed to heal the wounds and is functioning quite sensibly, in my opinion, in this particular regard in bringng about some levels of adjustment. He phoned me and said that the recommendations of the seventh report of the Ombudsman had been accepted by the board, carte blanche, across the board. I was going to spend some time this evening talking about those various recommendations. It seems that to spend any great time on them at all would be unnecessary.

[9:15]

I want to give great credit to the Minister of Labour of this province (Mr. Elgie), who is possibly the most intelligent Tory among them. You have to look hard and you have to look far and you have to parse quotations, but every once in a while—

Mr. Kerrio: The Minister of Labour is in trouble. When they start paying compliments, look out.

Mr. Eakins: There goes your leader.

Mr. Lawlor: Every once in a while he has shown, uniquely among ministers, an astuteness and a perception of what that office consists of and what is involved, come hell or high water. Even if rather questionable decisions are handed down it is wiser in the context of this office to bow one's head and to be compliant, rather than kicking heels and being disruptive. The office will not function unless a very great deal of accord is given. This minister has shown the greatest openness in this regard, and the greatet receptivity and understanding of what it is all about of any of the ministers of the crown.

I say the load has grown easier precisely because of that. There will not be as many cases that will be rejected by the governmental agency as in the past. We didn't sit this summer to the same length as we previously were obliged to do, and resolution of the issues that did come before us was infinitely easier. I think our report reflects this whole new attitude on the part of the whole group of governmental agencies.

So I want to give thanks all around. It is not very often one can stand in this House and celebrate and say that a general rain of blessings is falling on our heads and that a committee of this House may very well end

up with very little to do. That has never been heard of before in human history, it usually expands.

I don't want to get into a debate. At least, I don't want to get into anything acrimonious with the Attorney General (Mr. McMurtry) although he fairly deserves it—and the member for St. George (Mrs. Campbell) took off on him a bit this afternoon, much to his cleansing and total maturity as an Attorney General—with respect to the role he has played over the Ombudsman of this province. He has taken an intransigent and hard-line position with respect to that office. If he could talk to a fellow lawyer, such as the Minister of Labour, it is conceivable he might be straightened out as to the position, but he takes the position that only as legislation or resolutions pass through the government and are introduced in the usual formal way in this House, is the position of the Ombudsman to be accepted.

The committee has replied to the Attorney General and it says: "The weight in law that an order of the Legislature adopting a select committee report and recommendation is in the committee's opinion not the critical issue in the discussion. That critical issue is best expressed by the Attorney General in a letter to the chairman of this committee, dated July 4, 1979—" my Lord, George Washington comes to town—"as to what is the best way to implement recommendations of the Ombudsman and the select committee."

That is the only question, namely what is the best way to do that. The Ombudsman has no sanction. The Ombudsman must be given some sanction, some way to make his position and his recommendations have effect and to make his office mean something. A court lacking sanction is an eviscerated court, it is useless.

The committee says: "Certainly, discussion should not be centred upon the possible consequences of a failure or refusal to implement such recommendations, but upon the best way the government organizations affected thereby are to implement the recommendations."

We say on the next page: "Certainly any governmental organization which embarks on a technical word game with respect to the legal effect of the legislative action is demonstrating a profound disrespect for both the concept of the Ombudsman in the province of Ontario and the Legislative Assembly." That is the position the committee has taken.

There are more specific matters that should be adverted to within the report. Not all members have an opportunity—they have the opportunity but have not the time or possibly even the inclination—to peruse the report with the scrutiny and analytical care that it deserves.

We never mention names in our committee; the names are always deleted. But in this instance I think it is out in the open, and that is with respect to Dr. MacDonald and his quarrel with the Ministry of Health, et cetera, about the constitution of the Ontario Council of Health—that committee set up by the minister in order to give some cognizance to doctors who are excluded from hospitals and have not been accorded access by these hospitals.

The constitution of that was condemned, certainly placed under severe scrutiny by the Globe and Mail and other commentators on public affairs in this province as possibly being biased and not having the range and openness to the plight of the doctor who cannot gain hospital accreditation. It is a real problem and we have been promised many things.

I see the Minister of Health has left and apparently doesn't wish to make any comment as to any present developments that have taken place in that area. I think that's partially regrettable. I would have liked to have heard further from him because at page five of our report we say, "The representative further described in some detail"—this is the representative sent to our committee from the ministry—"the inquiries made of the Ontario Council of Health by the honourable minister set out in a letter forwarded to the council on June 25." One is not sure exactly what has been done arising out of that understanding or commitment made by the ministry in order to have the council of health look over this whole matter.

The statement the minister made to the House is: "Nevertheless, what I propose to do is to obtain a comprehensive review or information as to what systems of medical health staff appointments prevail in other jurisdictions. I intend to get this from the Ontario Council of Health. I will ask them to do a review. I believe such information would be of great assistance in formulating an appropriate approach to resolving this problem identified by the Ombudsman."

As the thing stood at the time of this report, it is not clear as to what steps the ministry has taken, if any, in this particular regard. There are numerous people out there, apart from the good doctor, who are severely afflicted by this particular situation.

By the way, pausing in mid-flight, one of the things he brought before us bothered me

quite a bit. Certain doctors are given the privileged position of being insiders. They have operating rights inside the hospitals. Of course that gives them a highly privileged status vis-à-vis patients. Patients will come to them because they can gain access to hospital beds in an easier fashion.

Having done so, and being on the staff of the hospital and being there part time et cetera, they raise their fees over and above OHIP precisely because they have been accorded a privilege to exist in an institution which is denied to their fellow practitioners. I mean, one can't play the game in a double way. One can't take advantage and then add a premium on to the demands. This is what has happened in this area.

This is an area where the Minister of Health could cut back on the OHIP situation. One way is the process of reviewing internal accreditation and what it means. If a doctor wants to belong to a hospital staff he is given accord. That's a grant through the hospital boards, et cetera, and in effect, is recognized by the government. Then they must give accord to what the government believes is the best operative principle in the payments derived therefrom. The area of greatest difficulty for this committee throughout has been the Workmen's Compensation Board. We have more Workmen's Compensation Board cases than anything else. We had seven in the most recent hearings. As I say, they have all been resolved in line with what the Ombudsman requested.

It's a curious thing on this as a point; we don't always agree with the Ombudsman in our committee. There are circumstances and conditions in which we take issue with him. The committee does not consider itself a rubber stamp. It will go a very great length to support the Ombudsman of this province but we are not stooges. We are independently minded people and we have our own integrity. When we think perhaps even the Ombudsman possibly has fluttered a bit—his eyebrows have gone down—we say so, and we think it's salutary for the Ombudsman to have this particular independence.

No one is infallible, not even us, and in this context, it does give an added fillip to the operation of that Ombudsman and to the fact we come before this House, our colleagues, saying we do give it good scrutiny. We have to make up our own minds and we do it. Bless it, this committee wouldn't work otherwise. We do it unanimously. On no occasion of which I know, has any member of the committee broken ranks, while I have been on it, in any event. Previously, I think they may have over that Pickering issue.

I want to refer to one of these cases where we just couldn't bring ourselves into accord with the Ombudsman and tell you the reasons. It was a case having to do with the Ministry of Colleges and Universities where a Canadian citizen was abroad and lost certain grants or rights and so on. In order to restore those grants and rights, a retroactive feature would have had to be written into the legislation. We couldn't agree that in order to make these grants, retroactivity ought to be written. One shies away from retroactive legislation for well-known reasons which I won't go into, but it can be upsetting.

We go on and say: "Beyond that, in the second place and in any event of whether or not the statute permitted retroactive regulations, the committee is not prepared to support the Ombudsman's recommendation in this case, since it would in all probability result in an unnecessary burden to the taxpayers of the province of Ontario. The committee was advised that the ministry did not, for the years in question, budget for any applications which would be approved under this successful regulation. Any moneys therefore necessary to fund this change of policy would have to come from current revenue sources."

Finally, we wound up our remarks on it with: "In the committe's opinion, the hardships and adverse effects of enacting such retroactive regulations far outweigh the benefits that might accrue to a relatively few number of residents in the province of Ontario who have had the opportunity of attending post-secondary academic institutions in this province."

It was a question of having regard to certain benefits conferred upon a very narrow segment over against the tax revenues and the effect it would have upon the ministry itself and its current budgetary position. In other words, economic and moral considerations seemed to us to have outweighed the recommendation itself, and that is the basis upon which we operated.

[9:30]

I want to mention just for a moment the most infamous, trying, lamentable, wretched situation that at present exists in this province as a specific issue, and which has been hanging around for an awfully long time. That's the Pickering business. That is unresolved. And it is not only not resolved, it is probably back at square one, before all kinds of machinations and manoeuvres court-wise and otherwise, taken by any number of people in the process.

The committee has tried to offer its good offices on both sides. It sat down and had

talks with representatives from Housing and representatives from the Ombudsman's office, in order to seek a resolution of this particular situation. We have strained and done everything in our power in order, as we see it, to bring the heads together and resolve this thing. It is running into millions of dollars in lawyers' fees which the government and the Ministry of Housing agreed to pay at one time, but have issued an edict of recent date that they will not pay. I think it was after September 12 or so this year they indicated they wouldn't pay another dime to any lawyer on these prolonged negotiations.

Mr. Hoilett, who is in the Ombudsman's office, was given a particular task to interview and listen to legal argument from counsel touching on land holders, et cetera. That has gone on for a very long time indeed, and we are discontented with the prolongation of that.

Mr. Speaker: The honourable member has one minute.

Mr. Lawlor: I understand they were terminated just this week. We were trusting that some kind of report would be forthcoming, because apparently nobody wants to talk to anybody about the report. I don't think the report is going to solve a damned thing.

Apart from that, I hope some of my colleagues mention the rules we have drawn up. There are eight of them. Those rules become law if they are passed by this House at the end of this debate.

Mr. Speaker: Does any other member wish to engage in debate? The honourable member for St. George.

Mr. Lawlor: A point of order: Was there a time limit on that?

Mr. Speaker: Yes. Twenty-two minutes for each speaker, or for each party.

Mr. Lawlor: I see. My time is eternity, Mr. Speaker. That's why I wear a watch.

Mr. Speaker: If anybody else wants to avail himself of the opportunity to engage in the debate, he has an opportunity to do so.

Mr. Lawlor: A point of order: I am informed that you are under a misapprehension, with respect, Mr. Speaker. This debate need not be terminated tonight. It may go on, and there isn't any time limitation to speak and there is no agreement with our House leader to so terminate. It is not the same as the debate previous.

Mr. Speaker: If that was your understanding, I think you had a responsibility to say so because the chief government whip got up and said that certain arrangements had been entered into; certain agreements had been made. There were nods of assent on both sides of the House, and neither the presiding officers nor the table were privy to those. When the honourable government whip said what the agreement was, everybody seemed to assent, and I assumed there was unanimous agreement and accord. If it is any different from that, I would like to hear about it. I am in the hands of the House. I wasn't a party to the agreement.

Mr. Lawlor: With respect, you are the last person in the world I want to debate with tonight. With that in mind, I am going out to try to find my House leader and get him to do the arguing. Okay? Thank you, Mr. Speaker.

Mr. M. N. Davison: As chairman of the NDP caucus, when the matter was brought to caucus this morning we were informed there was no agreement among the House leaders that this debate had to be finished this evening. If it was finished, fine; if not, it would simply continue over to a subsequent Thursday evening or some other time that the House had occasion to deal with it. That was certainly the agreement or position put before our caucus by our House leader.

If there was some different arrangement interpreted by the government House leader or by the Liberal House leader, I am completely unaware of it and so is my caucus.

Mr. Speaker: We seem to have an accord of a different nature. Of course, this one is much more immediate than the one articulated by the honourable member just rushing in. Do you have anything substantive to contribute to this debate?

Hon. Mr. Gregory: Mr. Speaker, it's my understanding that, at the House leaders' meeting at noon, it was agreed there would be a vote on the report on the Lakeshore Psychiatric Hospital. This debate would continue until 10:15, when it would adjourn to hold the vote on the Lakeshore report; then this debate would resume until 10:30, and at that point it would be adjourned for further debate in the future.

Mr. Speaker: With that understanding, I'll recognize the member for Lakeshore again.

Mr. Lawlor: Thank you very much. Rest yourself until 10:30, Mr. Speaker. No, I haven't very much more to say.

Applause.

Mr. Lawlor: Don't rejoice; I have a vengeful heart. There are ways of curing people of that disease.

Before I sat down, I was talking about the rules. The provision made under section 16

of the Ombudsman Act is—and we are told within our terms of reference—that it's feasible to draw rules for the guidance of the Office of the Ombudsman. We set forth some of those rules in our sixth report, and now in the seventh report we present them to the House in a formal way and say these rules should be adopted.

If the rules are adopted by the House, under the Ombudsman Act they become regulations ipso facto. The House should be aware that regulations are law as much as anything else and no doubt will be entered in the Gazette and will have to be abided by.

There's nothing horrendous about this initial set of guidelines for the Office of the Ombudsman. One of them has to do with the annual report of that body. Three of them have to do with confidentiality within the Office of the Ombudsman. Anyone interested can look at these rules of confidentiality on pages 32 and 33 of our report.

Then we give some guidance to the Ombudsman with respect to notices and who should be informed as a result of anyone being adversely affected during the Ombudsman's investigations so that no one is unfairly dealt with and does not have an opportunity, by person or counsel, to make representation to the Office of the Ombudsman in his own defence or otherwise.

There is another rule, which has been followed for some time now because the committee raised strictures at earlier times about this; that is the business of having completed the 19(3) notices to the ministry et cetera. Under section 22(3) of the act, it is stated:

"Where he does not get an answer that is either adequate or appropriate and if he wishes the matter ultimately to be resolved to seek support for his recommendation in the Legislature, the report under 22(3) shall be referred to the Premier before it is referred to the Legislature—." I want to pause over that issue.

Innumerable reports now—I suppose they're numerable if one wanted to do it; I would say probably 50 or so—have gone, after rejection by the ministry involved, to the Premier (Mr. Davis). I think the Premier of the province has some kind of responsibility in this regard. He cannot give a stereotyped letter returned to the Ombudsman in the same terms and wording in every instance; I think he should vary the wording.

If he's going to say no—he always says no, and that's what I object to—I think his office has some responsibility to give good assessment to the fact that a minister of the crown has rejected or is not prepared to comply with the Ombudsman's recommendation. I think the Premier at some point should set forth his reasons for saying no, instead of acting as though he had no role to play in the whole legislative setup. It is not sent to the Premier for fun but that seems to be the only purpose it is having at the present time; I don't think it's particularly funny.

With that in mind, I would ask that the government consider giving good attention to letters that come to the Premier, and that on occasion he answer them and give some credence to the Office of the Ombudsman by affirming it against his own ministers. True, he would have to consult with them in advance, that would only be the courteous thing to do; but he need not always and as a matter of rule perform his task as he is at present doing it, I think that is very questionable.

Those are the kinds of things we have set up in the rules. I hope very sincerely that the House will give credence to them.

The Ombudsman has indicated to us that he is going to give only annual reports in future. Up to now he has been giving them biannually and our committee has met in the winter and in the summer in order to consider them. While there will be only one annual overall report, he wishes to submit interim reports on specific issues that particularly bother him.

The committee believes that is a very good measure. If that is the case, if the Ombudsman submits an interim report on some difficulty or some log jam in some ministry tomorrow afternoon, our committee wouldn't be able to do anything about it. We want to submit to this House, interim reports on the Ombudsman's interim reports; we want to report on the report. Therefore, we are asking that this House, and it is in our report here as a recommendation, permit the committee to sit concurrently with the House in the event such an interim report comes to our attention through the Speaker of this assembly; that would be very valuable to the committee.

I'm told my time is up.

Mrs. Campbell: No, keep going. There's lots of time. It is up at 10:15.

Mr. Lawlor: In any event, I want to thank the House for the degree of decency and acceptance it has shown. On the previous occasion when we stood here, on a June night, in order to ask for the adoption of our report, we encountered no log jams and were able to reach an overall accord. I think what has flowed from that has been highly beneficial to everybody concerned in this province, and that office has finally taken on some stature.

Mr. J. A. Taylor: Thank you very much, Mr. Speaker. I had anticipated the remarks of the member for St. George in advance of my own. I gather the work of the House is carried on in clockwise fashion rather than counter-clockwise, and therefore I have stood up. I certainly appreciate the time being made available for this debate.

Initially when time was rationed, I thought maybe it was just a matter of carrying out one of Parkinson's laws. Mr. Speaker, being a student of Parkinson, I know you appreciate that one of his laws is, work expands to fill the time available for its completion. It wasn't a matter of filling time, in my estimation.

Mr. Kerrio: It's taken two years, Jim. It breaks all the bounds.

Mr. J. A. Taylor: I beg your pardon?

Mr. Kerrio: It breaks loose the bounds.

[9:45]

Mr. J. A. Taylor: Break loose the bounds. Right.

I certainly welcome this opportunity to make some comments in regard to the Ombudsman's report, if for no other reason than that I am a member of that committee who participated in all the discussions, which ultimately manifested themselves in the report before the House this evening.

I wasn't always a member of that committee and probably I didn't always have the same sympathies as I do now with the Office of the Ombudsman and the subject matter of that report. I know this isn't the confessional, but sometimes in the middle of the night I wondered whether an Ombudsman was actually necessary, visualizing my role as really an Ombudsman for the people of my riding.

I must confess that the more I've seen of the work of the Ombudsman and the clout that he has—and Mr. Speaker knows, as I know, that it's a legislative clout that members really don't have. I say that in reference to the dealings of members of this assembly with the various ministries. There is a need for response from the ministry when you have a communication from the Ombudsman.

Mr. Kerrio: Are you talking about us or you?

Mr. J. A. Taylor: I think that's necessary. I know some members here feel they have infinite clout, and I don't wish to demean or degrade them or take away any of the power that they visualize they have. But I think the Office of the Ombudsman itself commands a respect and a response that doesn't necessarily emanate from individual members of this assembly.

It's really with that perspective, and looking at the work of the Ombudsman, that I have evolved to a certain extent to become an advocate, a backer of the Ombudsman and the role he plays in the province. When I'm talking that way I look at the member for Lakeshore, who is the chairman of that committee. He has indicated an almost ecumenical feeling among the various political parties represented on that committee, and I wholly concur.

If there were a single committee of this assembly—

Mr. Kerrio: Is that Carter's next job?

Mr. J. A. Taylor: —that reflects a submersion of strictly political/philosophical views and looks at the merits of an issue, it's the select committee on the Ombudsman. We don't have the grandstanding or the political tyranny that sometimes takes place in other forums.

Mr. Lawlor: In caucus.

Mr. J. A. Taylor: We have a chairman who exudes a compassion for people—and I mean that when I refer to the member for Lakeshore. He's been referred to in this House as a philosopher; I can see the philosopher in the member for Lakeshore.

Mr. Mackenzie: Just call him a leprechaun.

Mr. J. A. Taylor: No, he's not a leprechaun. I think he's a philosopher. At times he's a bit of Rousseau; at other times maybe a bit of Spinoza—never Nietzsche. But I think he's a person who sometimes says the heart has reasons which the mind will never understand.

Mr. Lawlor: Oh, your Pascal is—

Mr. J. A. Taylor: Maybe it's that sensitivity and compassion for people that makes him so amenable to all political parties.

Mr. Kerrio: It might be a bit of the blarney.

Mr. J. A. Taylor: I say that sincerely, because we haven't had conflict as long as I have been a member of that committee. I was appointed a member of that committee in the dying days of the present Obudsman's predecessor. I don't mean dying in the sense of demise, but in other perspectives than a change of officer filling that office.

I think Mr. Maloney had a role to play. He was a man of his time, and I think he did a job that had to be done. He organized that office and left an organization there to be filled by someone who perhaps had a little different perspective and feel for the job and people. He was dedicated to make that role a meaningful one and to make the

Office of the Ombudsman work. I think he's done that. The present Ombudsman has given a sense of dignity, grace and sensitivity to the office. He is a man of reason; a person who is practical in his outlook and appreciates the frailties of mankind.

Mr. Lawlor: Best of all, he saved money.

Mr. J. A. Taylor: With that particular Ombudsman in office at this time, we're going to experience a response by the people of Ontario in a very positive way. It will be a response that will come to respect that there is some authority in this province that can cut through the red tape; that can cut through the bureaucratic jungle and get at the issues; that can seek and obtain resolution when they feel injured, or even incensed in some way. To me, that office is important if for no other reason than that there's someone there that is not a computer. You can see, touch, feel and talk to that person and get some response.

I often get these cards through the mail, as some of the members do, that have holes in them and say, "Please do not punch, staple or fold." I know they're intended to go through a machine. But I have that burning desire to punch, staple and fill that card so full of holes they'll never recognize it, just so somebody on the receiving end knows that a human being has received that card and is returning that card with a cheque, or whatever.

Mr. Mackenzie: I would never imagine the member to be a rebel.

Mr. J. A. Taylor: I am not a rebel; I'm a humanist.

It's that person who is above government—in a way responsible, but nevertheless above government—who is so important in a system so complicated and often confused as we experience daily. It is with that perspective that I compliment the person and the personality of the present Ombudsman.

We as a committee have had nothing but co-operation and understanding, a sense of responsibility and, I think, a person who exudes a willingness to ensure that the respect for that office is paramount. I haven't come very far in my remarks except to say that we have a very amenable chairman and an excellent Ombudsman. I do want to get on to some parts of the report.

I find it difficult as a member of the committee to take issue with the contents of that report. Maybe it's for that reason that I welcome the ruling of this House that the debate will not be curtailed. There may be other members of all political parties who wish to take issue with the individual recommendations of our report. I say "our" as a member of that committee.

I don't intend to take issue with the recommendations. I put my name to that report. In some cases it's a compromise, but I think it's a manifestation of the general will and spirit and good intention of the members of the committee and, in so far as it is that, it is a consensus. I think nothing constructive would be achieved by singling out particular recommendations that I as an individual might quarrel with.

I suppose one of the controversial, niggling issues has been the workings of the Workmen's Compensation Board—the number of cases that have come before the committee and, again in retrospect, the number of issues raised by decisions in that process. I look at the Workmen's Compensation Act and I don't feel any animosity towards the membership of that board, the commission, the chairman, the people working very hard to try to make the legislation function.

But it may be that we've reached a time in our history when we should be reviewing something other than the administrative function of that board. Maybe we shouldn't be looking at the internal organization but seeing whether that board is really discharging the function that is relevant today.

Historically, the Workmen's Compensation Board was a device to take disputes which would normally be processed through the courts of this province from those courts and to settle those in a more informal forum. Again, historically, Mr. Speaker—and I know you are familiar with this—an employee who was injured on the job had to sue his employer. Members should put themselves in that position. It's an unhappy position to be in. Not only that, but one's chances of success were small. Many years ago we didn't have the doctrine of contributory negligence and the responsibilities in terms of the law that flowed from that. Negligence on the part of one's fellow workmen could be a defence in a lawsuit against tthe employer.

The argument was raised that an employee assumed the risk of the work place. Again, that was a defence to that type of action. But the fact remained, and it remains today, that the workman was injured. He suffered. He wants to work, but he can't work. He has a family to support and he has an obligation to perform. What is he going to do? So we refine the system.

[10:00]

Again, I look back in retrospect to the days before 1914 when the present act was

first passed. It became functional in 1915. I look at the adversary system that this was intended to replace; yet I see today an adversary system as well. I see a system financed by the employers. I see a system that isn't completely addressing the problems of workmen who cannot work, not because they refuse to work and not because they don't want to work, but because they are victims in some way of circumstance or some other matter that prevents them from working. That affects their dignity.

They are not people who want to be recipients of welfare in the old-fashioned connotation of the word. A person who works all his life for a firm—and some do for a single firm—feels he has given something to that organization, and I think he has. There should be some mutuality and reciprocity on the part of these firms to say: "Look, we have had a well workman. It is not his fault that he has contracted some disability in the work place. It may be that disability cannot be related entirely to the job function that he undertook all those years." Surely there must be some feeling on the part of the employer to say: "We have a responsibility here for that person as well. He is not just another commodity."

Mr. Lawlor: You want capitalism with a human face. That's unbelievable.

An hon. member: It always has been.

Hon. Mr. Grossman: Don't be redundant.

Mr. J. A. Taylor: I am not going to be sidetracked, because I could debate that. I don't want the member to become old-fashioned.

Hon. Mr. Elgie: He's too old to be old-fashioned. He understands too many things.

Mr. J. A. Taylor: With that posture today of mutual responsibility and concern, which I see more and more—

Mr. Lawlor: I don't.

Mr. J. A. Taylor: I see it with the Minister of Labour (Mr. Elgie) who sits so interestingly in front of me.

Mr. McClellan: Why is the minister laughing?

Mr. J. A. Taylor: He smiles because he knows that at times he is tormented by legislation.

Mr. Kerrio: He should be tormented.

Mr. J. A. Taylor: His big heart wants him to do things that he cannot legally do.

Mr. Mackenzie: Too many rednecks in his caucus.

Mr. J. A. Taylor: What I am coming to is to a suggestion that maybe it is time to review the Workmen's Compensation Act in terms of its substance and not merely of its form or in regard to the administrative procedures within that organization, but to look at the whole individual.

A back problem that we often witness becomes a head problem because that person is so often tormented not only by the system, but by the pain that he can't establish in a legalistic sense that gives him a right to support his family.

Some years ago there was a review of the welfare system. There were provincial-federal negotiations to devise a new Canada Assistance Plan on a national basis. My concern at that time was to look at the welfare of the individual, at the health of the individual. I thought a federal-provincial approach would include federal programs as well as provincial programs so we wouldn't have the competition, the duplication and sometimes the overlaps and omissions when we are dealing with people. I was distressed because we didn't look at matters such as the Workmen's Compensation Board in regard to that overall review.

We are not talking about handouts. We are talking about people who want to work, who have been disabled in some way from working and yet have no redress except the welfare rolls. All these other pieces of legislation seem to be ignored. I think that review really didn't contribute very much.

I know the member for Bellwoods (Mr. McClellan) was interested at that time, which was in 1975, and even before he was elected, preceding 1975.

Mr. McClellan: I'm still interested.

Mr. J. A. Taylor: There seems to be a competition amongst different levels of government. There seems to be some desire to see a person not as a human being, but as a subject matter to be processed within a particular system. The trouble is, it's like that computer card: if it doesn't fit, it ends up being rejected and being returned. One is walking back and forth without redress and it's a question of survival.

Mr. Lawlor: You don't even exist.

Mr. J. A. Taylor: Again, I don't want you to misinterpret what I am saying. I don't want to say we have a Workmen's Compensation Board that isn't doing the job that was directed to be done by this Legislature in accordance with the legislation, because it is a difficult job. We've got into occupational diseases. There are causal connections that are difficult to establish in regard to a person's health and the work place. It is an area that is just being investigated

at this time, where we are learning. It may be we are overlooking the object of the exercise, which is the welfare of the worker himself, if we have any compassion. We talk about matters, maybe of religion. Earlier today, we heard about the Lord's Prayer, and some of us think very carefully about that.

Mr. Bradley: Some don't use it for political purposes either.

Mr. J. A. Taylor: We are our brother's keeper. I think we have to be mindful of our brothers, as individuals and as human beings. I think we have to ensure the sensitivity in our legislative process so that person will be recognized as a human being and not bypassed because he doesn't fit into a particular category.

I make those remarks again, because I feel it is probably time in our history to reexamine the function of the Workmen's Compensation Board to see if it's discharging the social obligation as well as the economic obligation of present-day society. I don't know whether I have any support in that, but I hope I do because I think the time has come to review that.

I don't want to get into individual matters further than the Workmen's Compensation Board. I am ever mindful of the remarks of our chairman, the member for Lakeshore, who said that things are going so well that ultimately there may not even be a committee. I am not one to advocate the propagation or prolongation of committees. It struck me as a breath of fresh air to hear my friend from the Socialist party suggest that we actually dissolve a committee. I don't think he really went that far. I think what he was saying was that, hopefully, the Ombudsman would be recognized in his rightful role, and his decisions so honoured by this assembly and the government, that any committee's role in assisting the Ombudsman in that regard would be meaningless. I suppose in that context he thought that we might eventually and happily evict ourselves as members of the Ombudsman's committee and that, therefore, it would disappear.

Mr. Lawlor: It's not likely.

Mr. J. A. Taylor: When I think of that, it's almost like a part of the Communist manifesto in terms of the evolution of government.

Mr. Lawlor: You might as well get rid of your chains along with the withering.

Mr. J. A. Taylor: Things will run themselves and there won't have to be any dictatorship of the proletariat. Seriously, I want to thank the chairman of the committee and the Ombudsman for the even-handed, fair-minded, open approach to this whole matter and to compliment both of those persons for the meaningful roles they are playing on that particular committee.

Mr. Speaker: We have three minutes before, as it was agreed, we will vote on the first item. Does anyone want to use those three minutes?

Mrs. Campbell: I don't like to waste time, but it gives me great pleasure to enter into this debate. I think it is the first time that I can honestly say that. On other occasions, I have felt terribly frustrated as we debated the report of the committee on the Ombudsman.

I would like to pay tribute to the Minister of Labour because I think he gave great leadership, perhaps not just to the Workmen's Compensation Board but to others on the ministerial side of the government of this province. I would also like to pay tribute to Mr. O'Brien of the Workmen's Compensation Board because I believe that he too has caught the spirit of the minister's concerns and the very real meaning and purpose of the committee.

I won't be able even to quote from this report at any length prior to moving the adjournment of this debate. That is what I intended to do in referring to the still troublesome matter of Pickering. So I assume it would be appropriate at this point for me to move the adjournment of the debate to enable me at some time to get back to that report.

On motion by Mrs. Campbell, the debate was adjourned.

[10:15]

Mr. Speaker: By agreement, it was understood that I would put the question on the first item that was debated at eight o'clock tonight.

Mr. Lawlor: Sorry to interrupt, Mr. Speaker; on a point of order: I would like to put some concept of how we approach the motion you are about to put. We are going to be voting against it. It is the report of the committee of which we were a part.

We take this motion to mean that one is either for or against the closing of the Lakeshore Psychiatric Hospital. We think to vote for this motion would mean we want to vote for the closing of the hospital, and we intend to vote against it.

The House divided on Mr. Gaunt's motion for the adoption of the report of the standing social development committee, dated June

19, 1979, re Lakeshore Psychiatric Hospital, which was agreed to on the following vote:

AYES

Ashe, Baetz, Belanger, Blundy, Bradley, Brunelle, Campbell, Conway, Cureatz, Eakins, Elgie, Epp, Gregory, Grossman, Haggerty, Hall, Havrot, Hennessy, Hodgson, Johnson, J., Jones, Kerr, Kerrio, Leluk.

Maeck, Mancini, McCaffrey, McKessock, McNeil, Miller, G. I., Newman, W., Newman, B., Nixon, Norton, Parrott, Peterson, Ramsay, Rowe, Ruston, Smith, G. E., Snow, Taylor, J. A., Taylor, G., Timbrell, Van Horne, Villeneuve, Walker, Watson, Wells, Wiseman, Worton, Yakabuski.

NAYS

Bounsall, Breaugh, Bryden, Charlton, Davidson, M., Davison, M. N., Foulds, Gigantes, Grande, Isaacs, Johnston, R. F., Laughren, Lawlor, Lupusella, MacDonald, Mackenzie, Martel, McClellan, Philip, Renwick, Swart, Warner, Wildman, Young, Ziemba.

Ayes 52; nays 25.

The House adjourned at 10:31 p.m.

CONTENTS

Thursday, November 1, 1979

Debate on standing social development committee report 4095

Motion to adjourn debate, Mrs. Campbell, agreed to 4104

Debate on select committee on the Ombudsman report 4104

Motion to adjourn debate, Mrs. Campbell, agreed to 4113

Standing committee report adopted 4113

Adjournment 4114

SPEAKERS IN THIS ISSUE

Blundy, P. (Sarnia L)
Bradley, J. (St. Catharines L)
Campbell, M. (St. George L)
Conway, S. (Renfrew North L)
Cureatz, S. (Durham East PC)
Davison, M. N. (Hamilton Centre NDP)
Eakins, J. (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Kerrio, V. (Niagara Falls L)
Lawlor, P. D. (Lakeshore NDP)
Mackenzie, R. (Hamilton East NDP)
McClellan, R. (Bellwoods NDP)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Renwick, J. A. (Riverdale NDP)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Taylor, J. A. (Prince Edward-Lennox PC)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)



No. 99

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Friday, November 2, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

An alphabetical list of members of the Legislature of Ontario, together with lists of members of the executive council and parliamentary assistants, appears as an appendix at the back of this issue.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

FRIDAY, NOVEMBER 2, 1979

The House met at 10 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

COMPULSORY AUTO INSURANCE

Hon. Mr. Drea: Mr. Speaker, later today I will introduce the Compulsory Automobile Insurance Act, 1979. The purpose of the act is to identify and minimize the number of drivers on the road who are not financially responsible.

As the honourable members are aware, the current system in Ontario permits an individual to operate a motor vehicle without insurance after paying a fee of $150. The annual cost of providing protection to innocent victims through the motor vehicle accident claims fund is approximately $20 million a year and growing. The payment of claims can be a very lengthy and inadequate process and can financially ruin both the victim and the uninsured for life.

The introduction of a comprehensive compulsory automobile insurance program will serve to correct this situation and is in keeping with the requirements of all other provinces and territories in Canada. The program deals with four major areas:

It makes it illegal for a person who is not financially responsible to be on the road. It provides substantial fines for driving without insurance, along with suspensions of licences and confiscation of vehicles for habitual offenders.

It guarantees that insurance is available by requiring the formation of an insurance industry pool for high-risk drivers, known as the Facility Association. Membership in the association will be mandatory for all insurers licensed to write automobile insurance. Rates created by the association will be subject to approval by the superintendent of insurance to confirm that they are properly calculated and to ensure that high-risk drivers are treated as fairly as possible.

It stipulates that every automobile insurance contract will contain uninsured-motorist coverage for accidents caused by uninsured vehicles. This will replace the motor vehicle accident claims fund in the majority of cases, providing the insured with immediate settlement of a claim for damages from his or her own insurer and the right to go to arbitration or pursue a claim through the courts.

It sets up a system of enforcement whereby all insurers or their agents will issue an insurance card which must be produced on the request of a constable. The owner or driver of a car who fails to produce such a card will be guilty of an offence and subject to a fine and seizure of the vehicle. The enforcement system also extends to the insurer, who will be subject to fines for refusing to insure or refusing to process an application.

The present system puts the burden on the taxpayer when claims exceed revenues to the motor vehicle accident claims fund. The new act will result in a greatly reduced use of the fund which will remain in place only for the uninsured cases that cannot be resolved by the insurer. It will correct inequities in the present insurance schemes and help alleviate risks to society at large.

Hon. Mr. Davis: It will be well received in Kitchener.

PQ WHITE PAPER

Hon. Mr. Wells: Mr. Speaker, I would like to take this opportunity to say that very often members stand in this House to criticize the actions of the press or some story that has appeared in a newspaper. I would like to commend, as I know all the members of this House would, the Toronto Globe and Mail for reprinting today the full text of the Parti Quebecois white paper, which is subtitled The Quebec government proposal for a new partnership between equals: sovereignty-association.

I think that certainly the members of this House know that an informed citizenry in a democracy is essential. It is essential that the people of this province know what is in this report and the threat it poses to the Canada we want to preserve. I hope the citizens and public of this province will take the opportunity to read the report in its entirety as it has been reported in the Globe and Mail today.

Mr. Deputy Speaker: The member for Waterloo North on a point of order, or is it a point of privilege?

Mr. Epp: I am just wondering, Mr. Speaker, whether the House leader would make available to all members of this House copies of the white paper. Since he has raised the subject, I thought it would be a good PR gesture on his part to make it available to everyone.

Hon. Mr. Wells: I would be happy to do so. I could easily send my Globe and Mail over to the member.

ORAL QUESTIONS

ELECTRONICS INDUSTRY: GOVERNMENT PURCHASING

Mr. S. Smith: I have a question for the Minister of Industry and Tourism. Yesterday or the day before the minister issued a statement on the electronics industry, accompanying which was a report which his ministry has had since May 1979 on the electrical and electronic industries. The report indicates that some 24,000 jobs have been lost since 1974 in that industry and that imports have displaced approximately 50,000 Canadian workers in that industry. The report makes some recommendations. Why would it appear that the minister in response to these recommendations has basically done little, other than issue a brochure and an audio-visual aid?

In particular, may I ask the minister whether he is aware that the first recommendation in that report is that provincial governments pay a very considerable premium for Canadian-made electronic and electrical equipment? In view of that, will the minister tell us what premium Ontario is now paying for Canadian-made goods in the electrical industry, and does he agree with the recommendation on page 15 of our industrial strategy that the premium might in some instances go as high as 40 per cent in that industry? What premium is being paid and what else has the minister been doing to implement that report?

Hon. Mr. Grossman: First, I would like to correct the impression that we have responded simply by printing brochures and preparing an audio-visual presentation. In fact, those were done with financial assistance provided by our ministry, but done by the consultative task force. That was their decision; they thought that would be a useful thing for them to do. It was their initiative, not ours. By no means does it comprise our response to their recommendations.

We met with them yesterday and have been meeting with them since they first presented their preliminary recommendations to us. We have identified several areas where we are going to be able to assist. The Leader of the Opposition will note that of the eight or nine specific recommendations that the consultative group made, this government is well on the road to implementing many of them and has been for some time. The specific item the member refers to, item one, is entirely consistent with our Shop Canadian program—they call it a buy-Canadian program. Our policy in Ontario is to give 10 per cent preference to Canadian-made goods.

I don't know if the member has seen my remarks over the last many months but I have indicated on occasion that I'm not satisfied the current purchasing policies and the 10 per cent preference is in all cases strong enough. That is something currently under review by my ministry, together with management board. Hopefully by February or March next year, we will have something further to report on that.

Mr. S. Smith: By way of supplementary, since this report is already six months old, and since there is a federal report I'm sure the minister knows about which we cited in our strategy about a year ago, there is a suggestion that in the electronics industry the government might even in certain instances go as high as a 70 per cent premium and still be of benefit to the country by so doing. Why has this government continued to sort of stagger along with the old 10 per cent premium for Canadian-made goods when in this industry we are losing thousands of jobs every year and a much higher premium would be in our own interest?

He says the government is implementing various things in this report and that's the number one recommendation. The number two recommendation is not to have provincial barriers. Do I take it then that this government will never again do the Hawker Siddeley or Babcock and Wilcox routine in which bids were accepted in Ontario despite lower and better bids from outside Ontario? Is that now going to stop so that we don't fragment the manufacturing market in Canada, eventually to Ontario's detriment?

Hon. Mr. Grossman: May I say that—

Mr. S. Smith: Excuse me, the premium—

Mr. Deputy Speaker: Order.

Mr. S. Smith: On a point of order—on a point of privilege if you like, Mr. Speaker—the premium is to be paid for buy-Canadian, for Canadian-made in any part of this country. It's not a provincial, it's not a provincial—

Hon. Mr. Grossman: That's not a point of privilege.

Mr. Deputy Speaker: Order.

Mr. S. Smith: The reference—

Mr. Deputy Speaker: Order. This is question period. The question was asked. The Minister of Industry and Tourism.

Mr. S. Smith: The reference is not provincial. It's Canadian.

Hon. Mr. Grossman: Mr. Speaker, we have been very careful over the past many months to talk about the importance of national procurement policies, not provincial procurement policies.

The Leader of the Opposition surely must know by this time that everything this government has spoken of—be it oil prices through to procurement policies on manufactured goods—speaks to that precise issue, that there should not be provincial barriers and there should not be provincially-based preferential purchasing policies.

I should remind the Leader of the Opposition that of all the provinces in this country, there is only one province, Ontario, that practices what it preaches and has a 10 per cent national procurement policy for Canadian-made goods.

The Leader of the Opposition feels comfortable in standing up and assuring us there will be no Babcock and Wilcox, as he calls them, situations again.

And he so easily criticized one of my predecessors for saying, "Show some preference to an Ontario-based firm, even though—" In that case, even though the bid from elsewhere was lower and there was more faith shown in the other product by Hydro, my predecessor said, "Never mind that. Go with this particular Ontario-based thing." At the same time, that can hardly be reconciled with the Leader of the Opposition's position with Canadian Applied Technology which he spoke of so grandly the last time. He criticized my predecessor for saying, "Purchase something which is more expensive and perhaps inferior, but do it for our industry." Then he goes exactly the opposite way when it comes to CAT.

Mr. S. Smith: Don't you know the difference between a country and a province?

Mr. Deputy Speaker: Order, order.

Mr. S. Smith: Do you not know the difference between buying Canadian and buying Ontarian?

Mr. Deputy Speaker: Order.

Hon. Mr. Grossman: Are you going to criticize us for showing that preference, or should we not show a preference?

[10:15]

Mr. Cassidy: If the government is concerned about maintaining and strengthening the electronics industry in this province, can the minister explain why the task force is only recommending that the federal government carry out studies on the true cost of purchasing foreign goods? Will the minister undertake that Ontario will carry out studies about the true cost of purchasing foreign goods and the benefits of domestic procurement; have those studies available to purchasers and governments across the country and do it over the course of the next six months?

Hon. Mr. Grossman: I could say to the leader of the third party that if the federal government is going to undertake a study along those lines, I am not going to waste the Ontario taxpayers' money by duplicating that sort of study.

If they are not, then I can assure him that the studies as currently undertaken by my ministry, together with management board, will go so far as to include those kinds of considerations.

Mr. S. Smith: By way of supplementary: Since the minister in his response has essentially repeated what the Premier said in an interjection, that somehow or other if you have a policy to give preference to Canadian-made goods anywhere in this country it is a good thing—which I believe it is—then I think their premium should be greater, the advantage should be greater than 10 per cent. It should be at least 40 per cent, as we have recommended.

Does the minister not understand that those preferences should be given in the Dominion of Canada? When we spoke of Canadian Applied Technology we referred to it as a Canadian firm. Does he not understand that when he gives preferences to Ontario firms, as opposed to those in other provinces of this country, he is fragmenting the manufacturing market in this country; that the premium should not be given to favour Ontario as a province over Quebec or Manitoba, but to Ontario, as a part of Canada? In other words, all of Canada should be favoured when Ontario purchases something over American or Japanese goods. Does he not understand that difference?

Hon. Mr. Grossman: I say to the Leader of the Opposition that in one case he was criticizing my predecessor for saying he should not have advocated that Ontario purchase something which later proved to have had a problem. The point there is that my predecessor was quite properly saying it was worthwhile for our manufacturers here to have Ontario Hydro in that case take "what turned

out to be a risk" in order to help our industry. I only point out to the—

Mr. S. Smith: But Canada is different from Ontario.

Hon. Mr. Grossman: If the Leader of the Opposition will allow me my turn. I know his manhood has somehow been insulted this morning by an interjection across the floor, but he has to learn to sit there and take it for a couple of minutes.

Mr. Bradley: Let's just hear the answer.

An hon. member: We have been taking it for years. What are you talking about?

Hon. Mr. Grossman: The Leader of the Opposition stood up and criticized my colleague, the Minister of the Environment (Mr. Parrott), a short time ago because the minister at that stage said that after his ministry had analysed all the products involved in those circumstances their judgement was that he didn't think the risk entailed in purchasing the imported goods was worth the assistance to the Canadian industry.

I understand the luxury that the Leader of the Opposition has, being in opposition, when one can wait and see how the thing turns out and then be a Monday morning quarterback and complain on the judgement call made by my predecessor. But I have to say, he ought to decide which way he wants to go. Does he want a preference to be shown, in which case—

Mr. S. Smith: Canadian, not Ontarian. Canadian.

Interjections.

Mr. Deputy Speaker: Order.

Hon. Mr. Grossman: —I have to say to the Leader of the Opposition I have spoken at least as often, if not as articulately in his view I am sure, as he has on the importance of national procurement policy.

Ms. Gigantes: Order.

Interjections.

Hon. Mr. Grossman: I will not have this government bow to him or anyone else in terms of our outlook on national procurement policy.

The point I am trying to make, if members opposite will stop interjecting for a moment—

Mr. Eakins: He hasn't said a word yet.

Hon. Mr. Grossman: —is that they must understand that one of the costs of a procurement policy—and I think we need one and must have one—is that occasionally the end result of all that—

Mr. Conway: Bring back Allan.

Hon. Mr. Grossman: —is simply that one purchases goods which don't live up to some of the expectations because one has traded something off to support industry, and I am in favour of that.

I only point out to the Leader of the Opposition that it's hypocritical for him to come back 10 years after the event and criticize this government for having recommended a preference which didn't turn out as well as goods which would perhaps have been purchased but for our attempts to help our manufacturers. Finally, the Leader of the Opposition wants to make the difference on the basis of it being a provincial preference versus an international preference.

Mr. S. Smith: This is federal.

Mr. Breithaupt: Federal, federal.

Hon. Mr. Grossman: Let me say—well, if you can control your leader it will take a lot less time.

Interjections.

Mr. Deputy Speaker: Order.

Hon. Mr. Grossman: Let me say that I agree, so the record is absolutely clear, so the Leader of the Opposition can't go out in front of the cameras and misrepresent our position—

Interjections.

Hon. Mr. Grossman: Yesterday and the day before and the day before that is what makes me think he would. I want to get the record clear we are 100 per cent in favour of national procurement policies.

If the Leader of the Opposition goes outside in front of the cameras and says we don't understand national procurement policies, that will be inaccurate. If he says this government does not support national procurement policies, that is inaccurate. If he says we do not support policies which would have us give preference to our manufacturers over American manufacturers, that will be inaccurate.

Mr. S. Smith: That is unbelievable, just unbelievable.

URBAN TRANSPORTATION DEVELOPMENT CORPORATION

Mr. S. Smith: I have a question of the Minister of Transportation and Communications. I haven't had much for him lately and since he's here on a Friday the least I could do is keep him awake.

Would the minister explain to this House why it is that even though he and his party are very much in favour of privatization of crown corporations by the federal government —with the exception of Petrocan, and I also feel Petrocan should not be privatized—the Urban Transportation Development Corpora-

tion continues to be a drain on the taxpayers of Ontario? Why is it not being privatized in keeping with the minister's wonderful faith in the private sector, which I'm sure he shares with his federal leader? How come UTDC is not on the block?

Hon. Mr. Snow: Mr. Speaker, first, I'd like to thank the Leader of the Opposition for the question, because I have been here in my seat every day since the House opened in October and this is the first question I've had. I had the feeling I was being totally ignored.

If I may proceed to answer the question, first of all, UTDC is a somewhat different corporation compared to an operating or a manufacturing company. UTDC does not manufacture anything. UTDC is a research and development organization which contracts out to the private sector its subcontract work. For instance, that great company from the province of Quebec, Canadair, has been the major subcontractor on the intermediate capacity transit system program. Many other Ontario and Quebec firms are carrying out the subcontracts on the ICTS. UDTC has entered into a contract with Bombardier for the development of articulated light rail vehicles and doing the research, development and shop work, not the design work, on the development of that vehicle.

It may be, some day in the future, that UTDC may be a viable sector corporation. They've been so tremendously successful in the last four years in developing the ICTS project that I'm sure the honourable member would say the same as industry is saying.

I attended the Air Industries Association of Canada convention a couple of years ago when it was holding up to the federal government the example of UTDC as the proper way for government to be involved in research and development, making full use of the private sector.

Mr. S. Smith: The marvellous reputation which the Urban Transportation Development Corporation seems to have—and I must say I do apologize for having neglected the minister up to now; it is obviously to my own detriment that I have done so.

I would ask the minister whether he feels it is a fact, as quoted in the Toronto Star, that several Ottawa sources say there is no money to bail out Ontario's new transit plans and help UTDC out of its hole. If UTDC has such a good reputation, is it true—as the minister seems to have been quoted as saying in the Star—that it may have to fold if the federal government doesn't come through with some additional funding in the form of an industry grant, or in the form of some aid to transit?

An hon. member: Don't let it get you down.

Hon. Mr. Snow: I am surprised the honourable member neglected me for a week after that article appeared—

An hon. member: He had to hold himself back, John.

Hon. Mr. Davis: Their research is slow.

Hon. Mr. Snow: I have trouble sometimes. I usually speak very plainly, I think, and I am usually able to make my views understood. I had an interview with that particular reporter from the Toronto Star and the next morning I read the article. I could not believe that any reporter could write that article following the half-hour interview I had with that reporter. So many of the things in that article are the exact opposite of what I said.

Mr. T. P. Reid: You can't believe you read what you said.

An hon. member: Stop knocking the press.

Hon. Mr. Snow: If I recall correctly, the article said I was bitter. I have to tell you, Mr. Speaker, I showed nothing but enthusiasm for the intermediate capacity transit system project and wanting to get ahead with it; and I showed nothing but enthusiasm with the co-operation we have had in our application to the previous federal government and to the present federal government. I have absolutely no reason to believe—and I don't know where that particular reporter gets his information—that the federal government and not only the previous one which was very seriously considering our project but also the present one which is still seriously considering it—I hope we will have an answer and a commitment from them—

An hon. member: They'll surrender, Jim.

Hon. Mr. Snow: —before too long that we will be allowed to proceed with phase four of the ICTS, at least in that great city of Hamilton, which is so enthusiastic about having us proceed with phase four—

Mr. Cunningham: Nice to be on the record, Jim.

Hon. Mr. Snow: —and perhaps in the city of Toronto as well.

Mr. T. P. Reid: Are you saying our sources are no longer reliable?

Mr. Renwick: Supplementary: When is the minister going to install a GO station at Queen and Degrassi Streets in the riding of Riverdale?

Hon. Mr. Snow: That's a good supplementary question for what we are actually

discussing. I think we should put a question like that on the Order Paper, Mr. Speaker. I don't want to go into a long answer on that particular question.

An hon. member: It's too complicated.

An hon. member: I want one in Agincourt.

Mr. Cunningham: That supplementary causes me almost to think we should ask a question about twinning the Skyway bridge. But I do have a legitimate supplementary question.

In view of the reluctance of the federal government to participate in the financing of this program, I would like to ask the minister, if they don't give him the money, what is the future of this company?

Mr. Nixon: Not very good.

Hon. Mr. Snow: That, Mr. Speaker, you must accept as a hypothetical question. I have no indication whatever from any of the people I have talked with at the federal level that they are not going to participate with us. In fact, I talked to Mr. Mazankowski as recently as a week ago, and he is most supportive of the ICTS program. Mr. Mazankowski has visited the test centre, which the member for Wentworth North, or wherever it is he is from, has also visited.

Mr. Cunningham: But you haven't been there for a little while.

Hon. Mr. Davis: He was overheard to say what a great project it was.

Hon. Mr. Snow: I know the honourable member has had a lot of criticism over the years for the ICTS, but after he went to Kingston again last spring he had nothing but praise for the success of the ICTS program.

An hon. member: What about that other meeting in Kingston?

Hon. Mr. Snow: Mr. Mazankowski, Mr. de Cotret, Mr. Wilson and a number of other federal ministers are considering this matter at the present time.

[10:30]

Mr. Cunningham: The honourable minister said I had nothing but praise for this fiasco; in fact I would get rid of it tomorrow for 20 cents on the dollar if I could.

LENGTH OF QUESTIONS AND ANSWERS

Mr. di Santo: I have a point of personal privilege, Mr. Speaker. I wonder whether he can assist me, as a back-bencher. For the first two questions it took half an hour to the Leader of the Opposition and to the minister. That goes on every day.

As a back-bencher, I have some questions to ask, too, and I have no chance at all. I wonder whether the Speaker can assist me.

Mr. Deputy Speaker: I appreciate the honourable member's point. I guess it would be a point of order.

I know it's up to the chair to see that this House operates effectively. It's not up to the chair on every occasion to call a minister to order on the length of his answer, or a member on the length of his question.

Mr. Philip: Grossman's monologue had nothing to do with the question.

GAS AND OIL PRICES

Mr. Cassidy: Mr. Speaker, I have a question on energy of the Premier. Since the federal Minister of Finance said in Toronto yesterday that no one in the country had told him they were opposed to a 30-cent increase in the price of gasoline; and since the Treasurer (Mr. F. S. Miller) admitted afterwards they would have to shout louder in order to be heard by their counterparts in Ottawa, would the Premier now agree to bring in a resolution in this House which, in a simple and a direct way, sets out Ontario's position? Would he agree to a resolution perhaps along these terms: Resolved, that in view of the impact on consumers and industry in Ontario, this Legislature and government are opposed to oil-price increases of the scale now being discussed by the federal government and Alberta?

Would the Premier agree to have that kind of resolution debated and adopted by all sides in this House?

Hon. Mr. Davis: Mr. Speaker, I wasn't present when the Minister of Finance made an observation, so I don't know whether or not he made it somewhat facetiously. He has a tremendous sense of humour.

Mr. McClellan: No one was laughing.

Hon. Mr. Davis: I can assure the leader of the New Democratic Party that the government of Canada is quite aware, the Prime Minister is quite aware, that we are opposed to that kind of increase. It has been clearly stated and it's understood, I think, by everybody, including the Minister of Finance.

Mr. Cassidy: Supplementary: In view of the fact that it does appear that senior members of the inner cabinet who are concerned with these matters are not aware of Ontario's position, could the Premier undertake specifically to strongly press the federal government to unpeg natural gas prices from oil prices, and to oppose any commitments for the export of additional natural gas which is

going to be crucial for Ontario's future, particularly for the future of our industry and our home heating?

Hon. Mr. Davis: Mr. Speaker, this has already been communicated to the government of Canada.

Mr. Cassidy: Supplementary, Mr. Speaker: Could the Premier be quite specific, in view of the fact that the document published in the summer appeared to indicate that the government was prepared to go along with the export of an additional two trillion cubic feet of natural gas from Alberta, because of the National Energy Board's proposed formula for determining what was needed in this country? Would the government make it clear that it has then changed its position and that it is opposed to the export of that natural gas, and that Ontario wants to see that natural gas reserved for use here in this province and other parts of Canada as a substitute for very high priced oil?

Hon. Mr. Davis: Mr. Speaker, I'm sure the honourable member's caucus, if he hasn't, has done a very careful assessment as to what extent natural gas, can in fact, replace crude oil.

Mr. MacDonald: Much more than electricity.

Hon. Mr. Davis: I'd be delighted to have the member's guesstimates as to what that percentage would be.

Mr. MacDonald: That's the Premier's line.

Hon. Mr. Davis: With great respect I would say to the member for York South, it is not our line.

Ms. Gigantes: So there's a new policy?

Hon. Mr. Davis: There are some areas where one can replace crude with natural gas, which we totally support, and there are some areas where one cannot do that. One cannot replace electricity in a cracking plant. One can't replace it in many industrial enterprises. It's just not possible to replace electricity with natural gas.

One also has to take into account the cost factor. I would argue rather vigorously that ultimately, in terms of cost, for many purposes electricity would be cheaper than natural gas.

Mr. MacDonald: But it's less efficient.

Hon. Mr. Davis: I'm really answering the member's colleague's interjection.

Ms. Gigantes: No you are not. You are not answering either of us.

Hon. Mr. Davis: I apologize, but he made the interjection, not me.

I would point out to the leader of the New Democratic Party that if he reads our paper very carefully, if he listened to what the minister has been saying—I don't expect him to listen to what I say, but I have also been saying it—we are totally in support of the transfer of generation of heat, or whatever, from crude oil to natural gas wherever it is possible. There are some places where it is not possible.

It is not going to be possible, for instance, in the smaller towns or the rural areas of this province, to install natural gas. It's quite possible within the great city of Brampton. We are well serviced by one of the major utilities. I can give their number to any of the members who would like to live there and tell them how it's done.

Ms. Gigantes: There is no more to export.

Hon. Mr. Davis: We are totally in support of that, and that will continue to be the policy.

With respect to the unpegging or unfreezing of gas as related to crude oil, we have pressed for this for many years. We have never been in support of tying the price of natural gas to crude. This has been a position of the government of Alberta supported by the former government of Canada. It's one of those issues I expect will be on the table when we are discussing, at the first ministers' meeting, this whole question of energy.

In fairness, the leader of the New Democratic Party should understand there has been some indication that Alberta is prepared to consider—this hasn't been mentioned much in the press—that there be an incentive pricing system for increased use of natural gas. That has been a possible suggestion from Alberta, one which we would welcome. We'd favour it on the condition that by incentive pricing and the extension of gas trunk services to other parts of Canada existing consumers don't have the additional costs for the installation of those services. I'm sure the member would understand that and would support that point of view.

This is well known to the government of Canada. Our position on this issue has been consistent for the past number of years, unlike some others, and we will continue to press it with vigour.

Mr. Mancini: In view of the fact the federal Minister of Finance made that shocking statement to the Empire Club that he had not heard any complaints whatsoever concerning a proposed 30-cent increase per gallon on gasoline at the pump, could the Premier table in the House any direct communication he has had with the federal cabinet

expressing his dismay, concern and disapproval with that type of increase? What does he plan to do now the federal Minister of Finance has said publicly that as far as he is concerned there is no one complaining and that he can go ahead with this kind of increase? It will cause tremendous unemployment and inflation in Ontario.

Hon. Mr. Davis: Mr. Speaker, it's sometimes hard to table the most direct form of communication which, in my humble opinion, is usually verbal.

Mr. Peterson: Nobody knows what the Premier says. That's the problem. Why doesn't he write it down?

Hon. Mr. Davis: I have not found a way to table a telephone call. When somebody develops that technology I will be delighted to do it.

Mr. Peterson: Write it down. We might understand it.

Hon. Mr. Davis: As I say, I was not present when the Minister of Finance made his observations. The Treasurer was. He made it quite clear to the press afterwards. I have known the Minister of Finance, not that well, but over a period of years. He has a great way of expressing things. I would question whether he was not suggesting that he had had some opposition and that he fully understands, as do his cabinet colleagues, that a 30-cent price increase per gallon is not acceptable as far as the consumers of this province are concerned.

Mr. Deputy Speaker: A final supplementary. The member for Ottawa Centre.

Mr. Cassidy: Supplementary: Given the fact that the prospects for harmony on the question of unpegging natural gas from oil prices are a good deal greater than the prospects of harmony on the price of oil; and given the tremendous potential for substitution of natural gas for oil in many uses, such as commercial and residential heating, here in this province and elsewhere across Canada; will the Premier and the government indicate in unequivocal terms to the federal government that Ontario is opposed to any additional export of natural gas to the United States from Canada?

Ms. Gigantes: Any and all.

Hon. Mr. Davis: I think the honourable member should understand some of the realities. I know it's not easy for him to understand these things.

Ms. Gigantes: The answer is no.

Hon. Mr. Davis: I'm sorry, I didn't hear the distinguished member for Carleton East.

Mr. Deputy Speaker: Please disregard the interjection.

Hon. Mr. Davis: How can one ignore that lady's interjections? It would be impolite. I wouldn't want to do it.

Ms. Gigantes: I'm fascinated by you too.

Hon. Mr. Davis: I would never want to ignore her totally—only partially.

I think we have to understand some very basic issues. First of all, the National Energy Board has the responsibility to make this sort of determination, a very valid function.

Mr. Foulds: That's a cop-out.

Ms. Gigantes: Wouldn't you know? It is a cop-out.

An hon. member: When in doubt, cop out.

Hon. Mr. Davis: Mr. Speaker, may I just appeal for reason across the House? It's not easy because sometimes there isn't a great deal of it in that party, but let me try to explain some of the realities.

Interjections.

Hon. Mr. Davis: We have filed an intervention with the National Energy Board. We have made it quite clear that we want to be assured in terms of long-term security of supply. It is the function of the National Energy Board to project the needs of the other parts of Canada, including the potential that exists of substitution. I think we have to be careful not to overstate the potential. There is some. It's significant, but I think it can be overstated on occasion.

It is also important to point out that if, over and above that, there is a significant surplus with a very clear impression that there are further natural gas fields or potentials for us—

Ms. Gigantes: If there's more profit in them.

Hon. Mr. Davis: —just let me finish, please —to say that Alberta or Saskatchewan or British Columbia should not have the right to export those commodities over and above the perceived needs of Canada would be unfair. It would be contradictory to those other things which we express in this House on occasion. I would say to the leader of the New Democratic Party that we are still somewhat dependent on our neighbours with respect to some energy supply situations.

If he wants to say that we'll not export anything to the United States, if we have it in surplus, then I think one has to question whether or not our great neighbour might say, "We're not so sure just how much coal we're going to have. Perhaps we should impose an embargo on the export of coal for Ontario Hydro." That might rest very com-

fortably with the member for Ottawa Centre, who never really tries to look at these things on a broader basis, but it would, believe it or not, create a certain problem for the consumers of this province.

I think he has to recognize that while it is great to close our doors in terms of what we might have in surplus and ignore totally the reaction of other jurisdictions in the world, I would say to the leader of the New Democratic Party, before he makes these categorical statements, "Not another cubic foot of natural gas," even though we have significant surpluses if that is what the National Energy Board judges, that is very short-sighted on his part.

HEALTH SERVICE CHARGES

Mr. Cassidy: I have a question for the Minister of Health. Since the Ontario Medical Association has failed to live up to the gentleman's agreement that the minister announced back in March, which was to protect patients against extra billing if they were not informed in advance, will the minister now take steps to amend the regulations under the Health Disciplines Act in order to require that doctors must bill at the OHIP rates if they have not fully informed their patients in advance?

Hon. Mr. Timbrell: First of all, I don't agree with the honourable member's judgement of the situation in the last seven months. The number of inquiries that have come through my office, either directly from the public or from members, as compared with the number of services actually being provided on a daily basis in the province would indicate it is not a frequent occurrence. It is not a problem of the size the honourable member would have us believe.

[10:45]

Second, with respect to the change to the regulations under the Health Disciplines Act he has from time to time espoused, we have looked at that repeatedly. On the face of it I suppose politically for 24 hours it might be very attractive, yet I ask the member to consider the kind of procedure he is, in fact, suggesting people go through. He is suggesting people be subjected potentially to months and months of hearings before complaint committees, and potentially, the health disciplines board. I would prefer, given the reality and the facts of the situation, to make work a system whereby redress is available and assistance is immediately available through the offices of the Ontario Medical Association and their district groups.

I may say certainly we recognize there are certain key areas where there are difficulties. One of them, as the member knows, is in the area of anaesthesia. That is one of the most difficult ones to cover, given the way the doctor-patient relationship is developed, time frame and so forth. It is not insurmountable. It has been overcome, by and large.

The member for Oshawa (Mr. Breaugh) raised an example yesterday I was aware of about a month or two ago. I thought it had been overcome. It hadn't been, but it will be.

Mr. Cassidy: Can the minister explain why he has changed his position from last March and why, when the OMA failed to adequately inform their members in April, the minister did not act then, rather than telling reporters yesterday he intended to ask the OMA to do it right the next time?

If I could quote what the minister had to say, he said on March 29, "The OMA also recognizes, should difficulties persist with this issue, the government will have little choice but to consider some form of consumer-protection legislation to address the problem."

Why does the minister now say the legislation, which is the most logical possibility, isn't workable? Why is he suggesting if the regulations are changed the doctors are somehow going to fail to live up to regulations or legislation from the province of Ontario? Is he saying doctors would flout the law, or doesn't he believe, as we do, if the regulations are clear and explicit, doctors will live up to them?

Hon. Mr. Timbrell: First of all, there has been no change in the position since March. Certainly, the interpretation of events of the last several months on the part of the member is quite different from mine. That is understandable as he engages in this month-long campaign to save the member for Ottawa Centre and the NDP. It is not a campaign to save medicare; it is a campaign to save his butt.

Interjections.

Hon. Mr. Timbrell: It is a campaign to save his butt in that dying party. That's what it is all about.

Mr. Martel: You are even more stupid than I thought.

An hon. member: What are you going to do to save your butt, Dennis?

Hon. Mr. Timbrell: What I am saying to the leader of the NDP is the change he from time to time proposes is one that has been examined very carefully. It has been found to be wanting, not because of any relationship

with medicine, but because it would be **deemed to be unworkable on the part of the patient.**

Interjections.

Hon. Mr. Timbrell: I am suggesting it is in the interest of the individual patient that there be a system available for the immediate addressing of any differences he has with a physician. What the member is proposing wouldn't do that. What he is proposing would tie people up in red tape for months and months and months.

Mr. Mackenzie: Baloney.

Interjections.

Hon. Mr. Timbrell: What is available and what the member refuses to use and what he refuses to advise his constituents of, is a service which can deal with any of these differences that occur immediately.

An hon. member: That's not true at all. Your service doesn't work.

Interjections.

An hon. member: I have tried it.

Mr. Cassidy: Is the minister not aware, despite his promises back in March, the mechanisms which are put in place to resolve these differences between patients and doctors where the doctor failed to inform in advance and then have extra billing, are collection agencies to which these accounts are being given?

Why will the minister not recognize there is a serious problem here and that doctors will be prepared to live up to the regulations if the regulations are changed? The present situation is so vague. In fact, the staff of Anaesthesia Services, which was raised by my colleague yesterday, say they understand anaesthetists were exempted from the rules the minister announced in March.

Surely this kind of half world, where things are not what they seem, should be brought to an end by clear, decisive and definite actions by the government.

Hon. Mr. Timbrell: Mr. Speaker, if you look at the world through pink-tinted glasses like the member for Ottawa Centre, of course they are not the way they are. They are never the way they are.

Mr. Martel: What colour are yours?

Hon. Mr. Timbrell: They are blue.

An hon. member: They are black.

Hon. Mr. Timbrell: My experience and the experience of my ministry in the last several months is—

An hon. member: Ontario to you is one continuous blue movie. You're making me throw up.

Hon. Mr. Timbrell: —when the service is used, if a doctor and patient together could resolve these differences then there is no need to go any further. Invariably it seems the problems can be resolved.

I am just suggesting to the honourable member that what he is proposing is to put between the doctors and the patients an incredible bureaucratic structure—

Ms. Gigantes: Protection of the law.

Hon. Mr. Timbrell: —an incredible amount of red tape and lengthy delays. That's what it amounts to.

When we talked with the medical association in the spring it was very clear to them that if the system couldn't be made to work we'd have to consider some form of consumer legislation. I am telling the honourable member in my view the system is working and that his judgement is false. I understand it because the purpose is for him to save his butt and his party, but it is false. It does not reflect what is actually going on.

Mr. Foulds: On a point of order, Mr. Speaker.

Mr. Deputy Speaker: What's the honourable member's point of order?

Mr. Foulds: Mr. Speaker, we were treated to an admonition by the Speaker yesterday about engaging in personal remarks across the Legislature. The Speaker yesterday indicated he would call members on both sides of the House to order when that was engaged in. I would point out to you respectfully, sir, the Minister of Health engaged in personal attacks on members of this side of the House that clearly should have been called to order if the ruling by the Speaker yesterday is to be enforced.

An hon. member: He doesn't even know where his butt is.

Mr. Rotenberg: Those guys did just the same thing when they were heckling him.

Interjections.

PEEL REGIONAL POLICE

Mr. Peterson: I have a question for the Attorney General. It involves the case of one private detective by the name of William Nykyforchyn. His ministry has had some involvement with this case. Just to refresh his memory very briefly, it was a private detective.

Interjections.

Mr. Peterson: Mr. Speaker, should I give the floor to the members?

Mr. Deputy Speaker: Would the honourable member ask his question please?

Interjections.

Mr. Peterson: Well I can't hear myself, Mr. Speaker, let alone—

Interjections.

Mr. Deputy Speaker: Order!

Interjections.

Mr. Peterson: The case involves Mr. Nykyforchyn, who is a private detective who made allegations that he was personally threatened and physically abused by the Peel regional police force. He sought redress; he went to the Metro Police citizens complaints bureau. He went to the Ontario Provincial Police Commission with no success. He tried to lay charges. He went to justice of the peace, Robert Powers, who said no charges would be laid without an investigation, but there would be no investigation if he laid charges. There appeared there was nothing he could do.

I think the Attorney General's ministry is familiar with this case. After he started to raise a fuss he was again physically threatened behind a factory in Brampton by an officer with a gun.

What has the Attorney General done about this case? What is the state of his investigation and would he please give a full report to the House?

Hon. Mr. McMurtry: I certainly will give a report to the House, Mr. Speaker. I have some recollection of the matter. I don't have the details at this moment but I will ascertain the necessary details and report back to the Legislature.

Mr. Peterson: Supplementary: When the Attorney General is doing this, would he make any suggestions he has as chief officer of the crown, on how a person in this position can find redress, because he appears to have pursued every available avenue with no possible redress? Would the Attorney General, when reporting, give him his suggestion as to what he should do?

Hon. Mr. McMurtry: Again, I think it is probably inappropriate for me to offer gratuitous legal advice to any individual citizen, but apart from the criminal courts and, of course, I have no suggestions to make in that respect, he might well, if he feels it appropriate, seek counsel as to possible civil remedies. Quite apart from the criminal sanction, what may or may not be relevant depending on the circumstances, he does have, as the member well appreciates, civil remedies that can be pursued by any individual citizen.

I will report back on the larger matter.

INCO EMISSIONS

Mr. Laughren: In the absence of the Premier and the Minister of the Environment, I'd like to ask a question of the Provincial Secretary for Resources Development. I hope he will take some action, not just pass the request on.

Since the Minister of the Environment has now released a letter from Inco in 1975, which indicated that they simply would not proceed with their plans to reduce their sulphur-dioxide emissions, which it was indicated they had to do under the control order of 1970, would the provincial secretary make a commitment to have the Minister of the Environment table all correspondence and all documents from that time on that dealt with the emission level of SO_2 from Inco's superstack at Copper Cliff?

Hon. Mr. Brunelle: I would be pleased to take this matter up with the Minister of the Environment.

Mr. Laughren: I was afraid the minister would say just that. I wonder, Mr. Speaker, if I could quote two lines from that 1975 letter and ask the minister what he thinks.

One line states: "A program which is not economically and commercially feasible is in fact not technologically feasible." Further on, it says: "There is no way the December 31, 1978, emission level could be attained, other than by a drastic cutback in our Sudbury operation."

Since they are using the argument of economic hardship and since between 1970 and 1978 when the deadline expired for the control order, Inco has had profits of $1.4 billion and has spent massive amounts of money in the United States at a battery plant and in the third world on development, why is it that the ministers of this government, the Premier included, always cave in to the kinds of intimidation and blackmail by the company, when the people who live in the area, the workers at Inco and the people who represent that community, never do and insist that the government implement its control order and put a new one on now so we can get the level of emissions down at the Copper Cliff smelters? When will the government do that?

I have a further supplementary. Would the Provincial Secretary for Resources Development—

Mr. Deputy Speaker: Order. You have asked the question. I am just going to anticipate whether there is an answer or not. Is there an answer?

Hon. Mr. Brunelle: Mr. Speaker, I would be pleased to receive all the information the

honourable member has, which will be included in the reply.

An hon. member: That's a great answer. What do you do with that one?

EMPLOYMENT DEVELOPMENT FUND

Mr. Haggerty: If I can get the attention of the Minister of Industry and Tourism, I have a question for him.

Is the minister aware that there are some industries in the Fort Erie and Port Colborne area that are considering phasing out their industrial operations, adding further unemployment to an area that already has a high rate of unemployment? Is he also aware that in 1978 representation was made from the municipal councils of Port Colborne, Fort Erie and Wainfleet to the Ministry of Industry and Tourism to have the area qualify under the federal government's DREE program? The minister had indicated that, in view of the high level of unemployment present in this area, a case can certainly be made for special designation.

In the event of industry phasing out, will the minister now take some direction, along with his federal colleagues, to designate the area for federal government funding through the DREE program? Also, will the minister give further consideration to the involvement of his ministry in provincial assistance through the Employment Development Fund in the hope of maintaining existing industries and promoting new industrial opportunities?

Hon. Mr. Grossman: The answer is yes. May I remind the member that we have some meetings scheduled with the federal minister? The liaison for our government is the Treasurer (Mr. F. S. Miller), who handles DREE matters. Both the Treasury and our ministry are well aware of the situation in that area and very concerned about it.

I should tell the member that we have pending before us, I would say, half a dozen applications to the Employment Development Fund out of that general area. Certainly, one of the major considerations that the Employment Development Fund board has is the rate of unemployment and the situation of industry in an area generally. That means that those areas which have a particular problem, which the member's area certainly has, get preferential treatment out of the fund.

So I would be hopeful that we would have some direct stimulus assistance for some of these industries and I would certainly support any effort to have the member's area included in the DREE agreement. The Treasurer and I will be discussing that further.

Mr. Eakins: Supplementary: Could the minister tell us when we might hear in regard to the negotiations between the Treasurer and the federal government with respect to DREE programs for Ontario?

[11:00]

Hon. Mr. Grossman: I would be surprised if it weren't within the next two weeks. The last time the Treasurer and I talked about the subject—and I was with Elmer MacKay, I guess, 10 days ago—all indications then were it was just a matter of 10 days or two weeks from where we are now.

INNER-CITY EDUCATION

Mr. R. F. Johnston: I have a question for the Minister of Education. This being Career Week, I hoped to get this on before the week ended. Is the minister aware of a staff report to the Toronto Board of Education Inner-City Committee which shows the children in schools in the most deprived neighbourhoods of the city of Toronto are five times more likely to end up in lower streams in high school than children from more affluent neighbourhoods?

It also shows that 76.5 per cent of the kids who leave school early come from low-income families. If the minister is aware, what action does she intend to take to ensure that the children from poor families will get the same quality of education and the same career opportunities as children from affluent families?

Hon. Miss Stephenson: I am aware of that report which was developed by the Toronto Board of Education. I am aware that the Toronto board has had some concern that, in spite of the fact it believes it is providing equal opportunity in educational programs for those young people, those opportunities are not being utilized effectively by the young people involved.

There are a very great number of factors related to the pursuit of an educational program by a young person within this province. The factors include not only the existence of and the accessibility to educational programs, but the attitude of the community, the attitude of the peer group, the attitude of the parents at home and the expectations which the entire family has related to the educational system.

We are attempting at this point to improve the career counselling capability of guidance counsellors within the school system, which we feel has a great deal to do with the appropriate selection of careers by not only—

Mr. Martel: I have heard that crap for 12 years here.

Hon. Miss Stephenson: —the group mentioned by the honourable member, but by others within our society, as well.

Mr. MacDonald: Same old story.

Hon. Miss Stephenson: We feel very strongly that there has to be an increased awareness on the part of the teachers within those schools of the potential for those young persons to consider the educational program less than relevant and, therefore, depart from it at a relatively early age.

That is a joint responsibility which is shared rather heavily by the board of education and by the teachers within Toronto. I am convinced that having made themselves aware of this, they will be moving to solve the problem.

Mr. McClellan: Six years ago the Wright report came out. Have you read it yet?

Mr. R. F. Johnston: Supplementary: As most of these students have their problems because at grade eight level, when they are graduating, they have only got grade five education, career counselling in high schools especially has no real relevance to this side of the problem. The minister is aware, I presume, and I would ask her, is she aware that the Toronto board is already taxing to the highest degree possible under provincial legislation but is unable to meet the needs of these people?

Will she commit herself to instituting a funding program geared especially to inner-city schools and inner-city needs which would enable boards to reduce class sizes for those schools, to develop curricula appropriate to people in that income level and to bring in incentives for full-day kindergarten, ESL and special education for those areas?

Hon. Miss Stephenson: I believe most of that capability rests with the Toronto board at this time, and I am sure they are examining the ways in which they may achieve it.

Mr. Martel: That's nonsense.

Mr. Cooke: You are the biggest backward step for education in years.

Mr. Martel: You are doing as well in Education as you did in Labour.

CHICKEN IMPORTS

Mr. McGuigan: My question is to the Minister of Consumer and Commercial Relations. Last week I pointed out to the Minister of Agriculture and Food (Mr. Henderson) that foods were brought into this country under the Canadian Agricultural Products Standards Act, which requires that the country of origin be marked on containers. He correctly pointed out that that applied to fruit and vegetables, but not to poultry, and he raised the question of, "How do you mark a bird?"

Does the minister know that all birds, poultry birds, including turkeys, are—

Hon. Mr. Grossman: Leave your colleagues out of this.

An hon. member: Who did you have in mind?

Mr. Rotenberg: Including the ones over there.

Mr. McGuigan: I didn't say who I had in mind.

Mr. Rotenberg: It takes one to know one.

Mr. McGuigan: All poultry birds have a metal mark on them that says "Product of Canada," or if they are packaged in plastic it says "Product of Canada" on the plastic.

Doesn't the minister think this is almost fraudulent to bring in American birds, process them in Canada, and sell them as products of Canada, especially in view of the fact that—

Mr. Deputy Speaker: That's a very good question.

Mr. McGuigan: Okay.

Hon. Mr. Drea: Mr. Speaker, I don't understand why there was such an uproar in the House a week ago about fowl. I think it's pretty common knowledge that on a bird that isn't packaged there is a metal clip and that on the ones that are under polyethylene film or in containers there is a description.

I would presume that the honourable member, before he was so rudely interrupted, was coming to the—

Interjections.

Hon. Mr. Drea: We should practice what we preach around here some time.

Mr. Martel: That's you he's talking about.

Hon. Mr. Drea: Mr. Speaker, I presume the ultimate thing is what would I do as a minister if somebody was attaching a Canadian-origin metal disc to a fowl that came from the United States or from some other country.

The enforcement of labelling for importation purposes obviously is very clearly a federal responsibility. However, we would be delighted if the member has very definite concerns about this to forward his concerns to my federal colleague. In addition, if what the member may have also wanted to know, —are we prepared as a ministry to investigate this improper labelling of such a perishable commodity as a nonpackaged fowl or groups of fowl, the answer is yes, we would. Then we would forward the results to the federal

government for the proper determination, similar to when pork showed up with ground beef and was being sold to consumers under the guise of being beef.

VISITOR

Hon. Mr. Drea: On a matter of privilege, I would like to draw to the attention of the House the fact that we have in the gallery a very distinguished visitor today, a former member of this House who was a Minister of Correctional Services and was most latterly and probably best known as a Minister of Public Works, the Honourable Ray Connell.

INTRODUCTION OF BILL

COMPULSORY AUTOMOBILE INSURANCE ACT

Hon. Mr. Drea moved first reading of Bill 160, An Act to provide for Compulsory Automobile Insurance.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Gregory: Before we begin the orders of the day I wish to table the answer to question 313 standing on the Notice Paper. (See appendix, page 4155.)

[Later (1:00):]

Hon. Mr. Gregory: Mr. Speaker, I wish to table the interim answers to questions 324, 325 and 328 standing on the Notice Paper. (See appendix, page 4156.)

[Reverting (11:10):]

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, OFFICE OF THE LIEUTENANT GOVERNOR

On vote 101, Office of the Lieutenant Governor program:

Hon. Mr. Davis: Mr. Chairman, I have prepared a two-hour introduction for these estimates. I know the members opposite will bear with me as I go through it.

An hon. member: We'll be with you, but it will be hard to bear.

Hon. Mr. Davis: No, I will be very brief on the estimates of the Lieutenant Governor's office.

I would like to express, from the government, a very personal word of appreciation to the Lieutenant Governor for the excellent way she discharges her responsibilities. We have had a succession of excellent people serving in this very difficult post. I am sure the view will be shared by members on all sides of the House that this present Lieutenant Governor has shown a real sensitivity and commitment to her responsibilities. She has travelled extensively, she is available for many things in many parts of our province and she does it with real dignity and grace. I think she is really a great person in the role she fills so well.

I am sure this view doesn't come as a surprise to anyone. My support of the institution of the office of the Lieutenant Governor is a very real reflection of our commitment to our system of government, the recognition that certain traditions and formalities as part of our parliamentary system are really very basic to the philosophy of the people of this province.

Without getting into any of the figures, on which members opposite may have some questions, I want publicly to state through you, Mr. Chairman, to Her Honour just how much, as head of government, I appreciate the time and energy she gives, and the excellent manner and the very unselfish way in which she discharges her responsibilities as the Lieutenant Governor of this province.

Mr. S. Smith: I certainly wish to associate myself with the remarks made by the Premier. To put the matter very simply, the Lieutenant Governor is one of my favourite people. I feel she is a great credit to the office, she is a very worthy representative of our monarch, and her dedication, her willingness to go throughout the province to be at virtually every event, particularly her dedication to matters cultural at every level, is something I believe is of enormous importance to the social fabric of Ontario and to the general enthusiasm that permeates our cultural life.

As far as I am concerned, it would be hard to imagine anybody carrying out those duties in any more excellent way than our present Lieutenant Governor, and I am pleased to have a chance to say a few words in this regard at this time.

Mr. MacDonald: I would echo the comments of the Premier and the Leader of the Opposition with regard to Her Honour and the kind of job she has done in the position of Lieutenant Governor. Even those who may be critical of that post, I suspect have been silenced to some degree by the quality and character of her handling of the position.

However, having said that, I want to move on to one or two other things which I understand have been raised periodically during these estimates in recent years. I haven't

participated in these estimates for some years; it is like old times to come back to them.

There are two aspects I wish to mention. The last Liberal government in this province, in a rather churlish act banished, destroyed or removed the residence of the Lieutenant Governor at Chorley Park. I understand there has been some consideration by the government of getting a permanent home for the Lieutenant Governor.

[11:15]

Related to that is another factor on which I am curious to seek the thoughts of the Premier, and that is the objective set out by the Camp commission that the whole of this building should be made available for activities in relation to the Legislature. I assume one could argue constitutionally and legally that the Lieutenant Governor has an obvious relationship with this Legislature. Many other activities that also have a relationship of varying degrees of tenuousness have been moved out of the building. I think it is at least an idea that might be entertained.

If a residence for the Lieutenant Governor to succeed Chorley Park is found elsewhere, it would facilitate the realization of the objective of the Camp commission recommendation that another portion of this building should be made available for legislative activities.

I would be interested in what the Premier's thoughts are on these two related points, of an outside residence and the resulting freeing-up of still more space for the expanding work of the Legislature within these buildings.

Hon. Mr. Davis: I don't personally recall the activities of the last Liberal government in this province. When I say I don't personally recall them, I was far too young to remember them. However, I think at the same time as that Premier sold Chorley Park, he sold everything else.

Mr. Kerrio: All the problems are yours.

Hon. Mr. Davis: Ultimately, he couldn't sell his party, but he put it in the position where it is still today—recovering from some of his activities.

Mr. Foulds: Are you still reading the book on Napoleon?

Hon. Mr. Davis: Was I reading a book on Napoleon?

Mr. Foulds: Four years ago.

Hon. Mr. Davis: Was I? No, I was not; it was Wellington. Oh, yes, I finished it. A very interesting book.

Mr. Foulds: And have you read any history since?

Hon. Mr. Davis: I've read your personal history. It took me 30 seconds.

Mr. S. Smith: That's just his personal contributions to history.

Mr. Foulds: Too bad your contributions in the House weren't that short.

Hon. Mr. Davis: Well, I know, but I just have to try to match yours.

Mr. Acting Chairman: They're being extended now. If the Premier would just get down to business.

Mr. MacDonald: I'm having a little difficulty relating this to my question.

Hon. Mr. Davis: I'm having trouble with your colleague. He's interrupting me.

Mr. MacDonald: You have trouble over there, and you have trouble—

Hon. Mr. Davis: I'm in trouble every day of my life, whether here or at home. I'm used to it.

Mr. MacDonald: Yes, you're in trouble.

Hon. Mr. Davis: I know just how much trouble the member for York South thinks we're in.

Mr. Martel: You used to say that when I first came here. You used to say that when we had five seats.

Mr. Acting Chairman: Order, please. The Premier has the floor.

Mr. Conway: I don't think Hepburn could have sold you at a sale.

Hon. Mr. Davis: No. My market price would be zip.

Mr. Conway: You're like Duncan Marsh's prize bull.

Hon. Mr. Davis: With respect to the use of this building, Mr. Chairman—to get back to the question after all these interruptions, which I didn't provoke—

Mr. Acting Chairman: Oh, I don't know about that.

Hon. Mr. Davis: But Mr. Chairman, how can I ignore you when you interject?

The concept of having this total building for, shall we say, the day-to-day functioning of the Legislature, I think as an objective has merit. I've never debated this. I've had some very informal discussions with Her Honour.

I think it is important, if at some point a move were to be made, that whatever accommodation is found be within easy access of Queen's Park. I can recall five or six years ago there was a suggestion about one of the properties owned by the University of Toronto—I think there was some mention of this in the press—but it was away up on Bayview Avenue. I think in terms of the economics it

might have been accessible; although that is debatable, because a certain amount of renovation would have had to be done, et cetera. In terms of a residence, I think it would have perhaps been appropriate, but in terms of her responsibilities, which are fairly demanding here, and her access to the building, I think probably it would have been inappropriate.

I think Her Honour feels comfortable in terms of her accommodation, which I think some of us would argue on occasion is limited in terms of her responsibilities. There are those occasions when it is necessary for her, in the discharge of her duties, to seek accommodation above and beyond her present facilities in this building. I sometimes regret that this is necessary, because in some provinces it isn't. There are two or three provinces where they have a facility, where the government or the Lieutenant Governor, in the name of the people of the province, can have certain gatherings that are appropriate. We don't have that sort of facility available here.

I certainly do not reject the possibility of this. I think Her Honour is a very sensitive person about how it might be perceived by the public in terms of additional expense, the cost of acquiring different or larger accommodation. Certainly she has not, in terms of her responsibilities, been pressing for this, but I don't think we as a Legislature should close our minds to that possibility at some point in time.

If the right situation were to develop, I think it's fair to state—and the Minister of Government Services (Mr. Wiseman) can correct me if I'm wrong—that in terms of our needs here that particular part of the building would be helpful.

That should only happen, Mr. Chairman, if there is some reasonable alternative for the Lieutenant Governor in ways that she could function properly and that would be appropriate for that particular position. I certainly haven't closed my mind to that possibility if, at some point, the right sort of arrangement happens to come up.

Mr. Worton: Mr. Chairman, some 15 years or so ago we were fortunate to have a family in Toronto designate or let a building to the government for the purpose of the use of the Lieutenant Governor. It may have been that that was not acceptable or convenient for the use of Her Honour, or His Honour at that time, but was the money derived from the sale of that set aside for such future purposes as a residence for Her Honour?

Hon. Mr. Davis: I will check this out for the honourable member. I don't recall the particulars of it at the time. I think the decision was made that probably in terms of its maintenance, renovation or whatever, the government of the day felt it was probably a larger financial obligation than perhaps should be entertained by the government. As to the proceeds of those funds, I will check that for the honourable member and get that information for him.

Mr. Blundy: I want to join with the Premier and the Leader of the Opposition in saying a few words about Her Honour, the Lieutenant Governor.

As the members know, the Lieutenant Governor was born in Sarnia and lived most of her life in Sarnia. She has very many relatives and friends there and, indeed, all of the people in Sarnia consider her as their friend.

The Premier mentioned how dedicated to her position she is. I want to share that view. I believe the Lieutenant Governor has gone to areas of this province where no other Lieutenant Governor has gone in many years. The wonder of her filling that office is the untiring effort that she puts into it. I just wanted to put on the record that the people of Sarnia, who know the Lieutenant Governor and her husband so well, are extremely pleased with her performance and are very proud of the fact that she had the opportunity to represent Her Majesty in this province.

Mr. Conway: Mr. Chairman, I would like to associate myself with the remarks of my colleagues, the Leader of the Opposition and the members for Sarnia and Wellington South, in paying tribute to Her Honour. I had not intended to speak, but my colleague from Sarnia twitted my memory.

I would like simply to suggest that this past summer we had, in my constituency, a very pleasant visit from Her Honour to Algonquin Provincial Park. She was, I believe, the first Lieutenant Governor in the history of the province to have made such a visit. It was greatly appreciated, not only by the local member but also by the many people she visited in the small communities of Whitney and Madawaska, the YMCA camp at the park, as well as the ministry staff who are charged with the responsibility of operating that marvellous facility in the public interest.

I must say, as well, I am always interested to hear the member for York South talk about the disposition of Chorley Park. I too would be interested in some response to that ultimately, because I do believe that not only would it be appropriate for the functions to which that person is appointed but also, as the Premier commented in his remarks, the

time is fast approaching when we ourselves may require all that this building offers in terms of physical space.

There is a great article in Ontario History that I might recommend to the honourable members who might be interested in the fate of Chorley Park. It's a great journal which is timely for those buffs with an antiquarian interest in such matters.

The debate about Chorley Park and its fate was recounted to me not so very long ago by my grandfather, who happened to have been here when the then Premier and member for Elgin was in the process of trying to streamline government after long years of Progressive Conservative rule. In that particular connection, I think the Premier of the day did make a mistake and I certainly would be most interested in any proposal that might be brought forward to reinstate a vice-regal residence, not only for Her Honour but for the members of the assembly and the people of Ontario.

Again I want to thank the members for their comments. Certainly speaking for the people I represent, her activities as the vice-regal representative in this province have been much appreciated. She has, in fact, as the member for Sarnia said so well, made herself available on very short notice on many occasions to travel to the far corners of the province. In my particular constituency, her efforts in that connection have been greatly appreciated.

Mr. G. E. Smith: Prior to the conclusion of the debate, I would just like to join with the other honourable members to pay tribute to Her Honour. She has been in Simcoe East on many occasions and has always discharged the duties of her office, I've noticed, with a great deal of enthusiasm, and as has been said, untiring energy.

It seems to me she relates very well to groups and people of all ages. I can particularly recall when she came to Waubaushene to visit the public school, the class enacted a day in Parliament, the opening of a session. One of the pupils played the part of Her Honour. Her Honour sat through it and I'm sure she enjoyed it and was very enthusiastic about it.

I would also like to make mention of her interest in historic items pertaining to the province of Ontario and, I think, more particularly her support to the Simcoe Foundation and her interest in my private member's bill honouring John Graves Simcoe.

An hon. member: A little promo.

Mr. Martel: Oh, no.

Mr. G. E. Smith: I have always appreciated that, and I'm certain that she at some point in time—

Mr. McClellan: The first Tory.

Mr. G. E. Smith: —would be very pleased to proclaim that bill and give it royal assent. I hope at some point in time I will have the pleasure of seeing her do that.

Mr. Martel: Never.

Mr. G. I. Miller: I too would like to rise in honour of the Lieutenant Governor and say thanks through you, Mr. Chairman, for Her Honour's dedication to all the residents of Ontario. She has been in my riding in my short stay in the Legislature, I think four times. The people love her and she carries out her duties with distinction. I am always proud to have her come into my riding.

The constituents recognize her talent and the royalty she represents. I think a real tribute should be paid to her through your chair, sir, and it's my pleasure to have this opportunity of doing so. With these few remarks, I'd just like to wish her well in her duties and may she carry them out for many years to come.

Mr. Acting Chairman: The member for Durham West.

Mr. McClellan: The Premier set this up.

Mr. Ashe: It's indeed a pleasure to rise—

Mr. Conway: Have you lost your sight from reading that teleprompter last Saturday night?

Mr. Ashe: I'm still mesmerized by the movements. In any event, it's indeed a pleasure to rise and add a few words to the support already indicated by the honourable members to the job that is being done on our behalf by Her Honour, the Lieutenant Governor in this great province.

[11:30]

I might just say my experience over the last couple of years has shown that the Lieutenant Governor has great perception in the political ridings in and around Metropolitan Toronto. Having said that, I would go a step further and suggest that, apart from the area where she lives and this particular jurisdiction right here, she has been to the great riding of Durham West probably as many or more times than to any other political jurisdiction in and around Metropolitan Toronto.

She recognizes the potential of that great area immediately east of Metropolitan Toronto and, hopefully, recognizes that the local member, namely, myself, appreciates greatly any opportunities that he has to join with her at a particular function. Whether it be recognizing a particular institution, opening

up a new museum or recognizing some local establishment or accomplishment, it is indeed a privilege and an honour when Her Honour does come to Durham West riding.

Most particularly, in my case, it does offer me an opportunity to be in Her Honour's presence and to recognize her great qualities and her great abilities. She just shines in Durham West riding as she does in every place she appears.

With those brief remarks, I would conclude by saying how fortunate we are in this province to have a Lieutenant Governor with the great stature she has brought to that great office.

Vote 101 agreed to.

Mr. Acting Chairman: This completes discussion of the estimates of the Office of the Lieutenant Governor.

ESTIMATES, OFFICE OF THE PREMIER

On vote 201, Office of the Premier program:

Hon. Mr. Davis: Mr. Chairman, it is customary, which I assume would apply as well to the Office of the Premier and Cabinet Office, for ministers during estimates to give a resume of what the office is up to and to take some time in doing so, so that we can all discuss these estimates in a proper perspective.

Mr. Conway: It is painfully obvious what you are up to.

Hon. Mr. Davis: However, before the member for Renfrew North leaves for home—and I know he wants to ask me some penetrating questions—I will not make an opening statement of that kind so that we can get at the details of the estimates, except for one personal observation.

Over the past number of years there has always been somebody under the gallery to assist me with the estimates, Mrs. Irene Beatty. Mrs. Beatty is not with us today because she is the president of the public service group that this evening will be celebrating, along with about 2,000 people, their 25 years of service within the government of this province. Mrs. Beatty is president of that particular organization this year.

I know it is not customary perhaps to pay tributes to public servants, but Mrs. Beatty has been with this government for 32 years. She has served Mr. Drew, Mr. Frost, Mr. Kennedy very briefly, Mr. Robarts and myself. I think that she is the only public servant in this province who has been that involved in the administration of the Premier's office or with that number of Premiers in the history of this province.

I would just like to take this occasion, in that she is not with us because of her task for this evening, to pay a personal tribute to Mrs. Irene Beatty for her many years of dedicated service. She is the one who keeps everything in order in our office and deserves a great deal of credit because it is not very easy to do.

Mr. S. Smith: Mr. Chairman, in discussing the way in which the Premier's office is carried out, the main concern I have about that office is the incumbent.

Mr. MacDonald: Is that a personal remark?

Mr. S. Smith: I have been in politics now for only a brief four years, but I believe there is a very serious leadership problem in Ontario. Very frankly, I believe the conduct of the leadership of Ontario on the national scene with the issues of the day, and I might even say in this House, has brought us to a point where leadership is now very much in question.

Certainly my own feeling has been that the House has, under the leadership of the Premier, sometimes degenerated in a way that I have a lot of difficulty explaining to myself. When I think back to my previous days in medicine I often ask myself whether this was really what I imagined parliamentary practice was like. I also have talked to some of the school children from our area who sit in the galleries sometimes and they wonder the same thing.

I believe we have a very general problem and I place it at the doorstep of the occupant of the Premier's office. I realize in so doing we might end up in a personal wrangle and I don't really want that, but I have some comments I feel have to be made.

I have been sitting here day after day, this session and during the previous sessions, and I must say that every now and then, when I can sort of remove myself, in a way, just to become an observer, almost, to the very scene in which I am participating, I seriously have to ask myself how it is that we have got into a situation where those of us who are charged with the leadership of public affairs in the province of Ontario—a very great province, a heavily populated, wealthy province, with a great future in my view—how we seem so much of the time, to be wrangling on a personal level, to be insulting one another and not, in fact, occupying ourselves with what should be the major issues of the day.

It is interesting that the same problem exists when one stands back and looks at federal-provincial matters. I remember, be-

cause I wasn't in politics then, when Mr. Robarts was the Premier. I remember that Ontario's view was always regarded as very important. Even when I lived in Quebec—and the Premier is fond of reminding me of my origins in Quebec; that's fine, I'm very proud of those origins although I have chosen to live in Ontario and intend to be here for the rest of my life; I love Ontario—however, I recall that the Premier of Ontario was always regarded by Quebecois as a very important force on the national scene. I remember an issue would not go by, if it dealt with the economy or the unity of the country, in which the opinion of the Premier of Ontario would not be made known in a very forceful and energetic manner to the citizens of Quebec.

I feel that has changed. Some of the change, I guess, was inevitable with the movement of wealth to the west of the country. Some of the change, I guess, was because of some political changes within Quebec itself, an inward looking attitude which has developed among some people in Quebec. I am hopeful that that will not break up the country. I personally believe that the country will survive that inward looking attitude and that we will find that most people in Quebec are good Canadians who want to remain part of this country.

But whatever the external reasons for Ontario's lack of leadership in the national scene, I have to say that some of it, in my view, has to be placed at the door of the Premier. The present incumbent in the office has gone about his work in a very different way. We all have our personal styles, and it's not a question of whether I like his style or dislike it or whether the Premier likes me or dislikes me; I don't think that's at issue, that is not at issue at all. Nonetheless, the actual style of carrying out the job has led to a decline in Ontario's importance, in my view, and a decline in the importance of the Legislature generally.

If one looks at the individual issues—and we don't have time to go through them all, but I just want to touch on them—I feel in any position of leadership one is faced with trying to figure out how far ahead of the population a leader should ever be. There are those who say a leader should actually be trailing behind the population; that seems to be a course for slowing down changes that occur and so on. There are those who say that proper leadership reflects what the population wants. There are those, and I guess I am among them, who feel that leaders have to be just a little ahead of the population. If they get too far ahead, I accept that the results can be pretty disastrous for all concerned, not only politically but for the population; but I also think there is a need for some leadership and that requires some courageous stands. It requires, occasionally, some stands which may be unpopular. I guess that's where I fault the incumbent in the Premier's job. Whether the people ever will it—which may seem outrageous to some though it may seem likely to others—whether the people ever will that I ever have that particular opportunity, and further whether I would be equal to the task is something that one has to wait to find out, but I do believe it's fair game to speak of the way in which the job is being carried out at present.

On the national scene, I remember that Mr. Robarts had a great deal to say about constitutional matters. His voice was always primary among those who spoke on the subject of Canadian unity and on the relationships between the French and English communities in this country. I can tell you right now that if you ask them in Quebec who is the most popular English-speaking politician in Quebec, a great many people would still tell you John Robarts.

The Premier of Ontario now does not occupy that position of leadership or affection or great respect in Quebec.

That may be partly his fault; it may not be partly his fault. I believe it is partly his fault.

Whereas Mr. Robarts made a special point of always trying to understand the Quebec situation and made a special point of speaking on the relationship between the French and English communities, I feel that the present Premier has assessed the situation in Ontario somewhat differently, has assessed what I think he sincerely believes to be a dangerous propensity for backlash in Ontario. I think he sincerely believes that he serves Ontario well by playing it cool, and by not taking stands that would provide, for instance, the kind of bill that the member for Ottawa East (Mr. Roy) presented in this Legislature.

It was an imperfect bill to be sure and maybe administratively it had many flaws, but we remember the veto and the way in which the veto was spoken. I have to feel that since the Premier has moved on things like French language in the courts, for instance, that the man is not, as a person, prejudiced. I do not believe he is; I honestly don't believe that at all. I also believe that the man wants to see progress for the Franco-Ontarians.

Hon. Mr. Davis: It almost sounds paternalistic.

Mr. McClellan: You outdo him when you get up to speak.

Mr. S. Smith: I believe the Premier genuinely feels that somehow to put on paper a charter of rights or something of this kind for the Franco-Ontarians, to give them a somewhat different deal in their schooling and so on than is presently being outlined recently by his minister, could result in a backlash which would hurt the Franco-Ontarian community.

All I can say to that is he may be right or he may be wrong. My view is he's wrong, but he could still be right. However, on the national scene, taking that view has caused an abdication on the part of Ontario of national leadership on the French-English matter, and on the constitutional matter to some extent. It's my view that Ontario is not looked up to in Quebec in the way it used to be.

On other issues, if we take the current wrangle on oil prices, I think the Premier of Ontario was widely perceived as speaking up for Ontario consumers in this very difficult battle. I have some criticism of the way he did it and he has some criticism of my policy, but the point is I understand that he has been perceived as speaking out for Ontario.

However, I believe that there has been a lack of leadership there too. I say that very sincerely. I think it would have made more sense for the Premier to have called together some other Premiers from the producing provinces and tried to attain some degree of commonality, some common front where possible.

[11:45]

I recognize the problems he would run into with Mr. Levesque, for instance, who I think would not like to admit there's anything good that Canada could ever do for Quebec.

Mr. Levesque's white paper has gone through the history of federal-provincial relations in this country with a mind like a vacuum cleaner, picking up only the dirt and leaving all the substance behind. He has a litany of everything that is wrong, but none of the benefits of Confederation are mentioned in that white paper.

So he would have been a difficult one, but he could have been put on the spot, I feel, as the Premier of a consuming province. Quebeckers don't like to pay for gasoline at $1.30 a gallon any more than Ontarians, and I think he—

Hon. Mr. Davis: They also, as you well know, are as jealous of the resources as the Premier of Alberta, something you totally ignore. See the reality. Face up to it.

Mr. S. Smith: The Premier points out that in Quebec there is quite a feeling for resource ownership, and of course—

Hon. Mr. Davis: Just as there is in Newfoundland.

Mr. S. Smith: Indeed, especially now that they think they have some that feeling has increased enormously.

Hon. Mr. Davis: You can laugh and chuckle about it, but it is a fact.

Mr. S. Smith: Of course it is a fact that there are these feelings—

Mr. McClellan: If you really cared about it you would find some oil in Ontario.

Mr. S. Smith: —but I still believe that the consuming provinces could have been brought together and that they could have achieved a greater degree of leadership. The Premier clearly disagrees and that's why he didn't do it; all right, that's fine.

Hon. Mr. Davis: Look at the history of it.

Mr. Deputy Chairman: Order, please. The Leader of the Opposition has the floor, Mr. Premier.

Hon. Mr. Davis: The provinces have for years agreed with our position. And we've been together many times.

Mr. S. Smith: The Premier is entitled to say that he is doing it the right way, and I am entitled to say that he is doing it the wrong way. I will certainly listen to him with interest, as I always do when he speaks, and I have been in the House every time he has made a major address; a courtesy which hasn't always been returned to me, but I will listen to him. However, I say to you, that just as it is his right to say he is doing it the right way, it is my right to say he is doing it the wrong way.

Mr. Martel: He was playing tennis one day when you spoke.

Mr. S. Smith: I think he could have called together the consuming provinces. I feel that the document he issued, for instance, was a strategic error. I think it would have been better to have a very clear position as to how much of an increase Ontario could tolerate in the economy; what the damage would be and any other circumstances; and a very clear position on how that money was to be raised. But all right, he chose to do it differently. There are many who agree with him. All I can say is I think it should have been done differently.

Most important, however, I believe the Premier has failed to carry much weight on the national scene so far. We hope he will succeed, but so far he doesn't appear to be

doing so. He has failed to carry much weight on the national scene because he has provided no alternatives.

One thing that has to be said for Mr. Lougheed's argument is it is true that an increase in price does promote some conservation—I suspect not as much as Mr. Lougheed suggests—and of course it does make renewables look an awful lot better, and consequently it speeds the production of substitutes for oil. I don't think anybody would deny there is some validity in that argument.

But the Premier has called for the price to remain low without making very plain how it is that Ontario would achieve conservation and substitution in the absence of the price signal, and I think that is a problem.

When I tried to put the Ontario argument out west—and it may be that I am not as persuasive as the Premier—I found that I was pretty well hit with the usual responses: "You have had an advantage for a long time and you haven't used it very well"—I will have something to say about that when I discuss manufacturing—"You have no program for conservation," and "You have no program for renewables."

The Premier will remember his famous statement about the government having no role in the attics of the nation, an amusing statement to be sure and many of us laughed, but the laughter is a little more hollow as the years go by and we realize that a good mandatory insulation program might have been a very great aid to the province of Ontario.

Hon. Mr. Davis: There is an insulation program right now.

Mr. Deputy Chairman: Order.

Mr. S. Smith: There are other fields, for example the field of education. We have strife in the schools. I presented a viewpoint, admittedly different from what the viewpoint was five years ago—

Hon. Mr. Davis: You were going to present a bill.

Mr. S. Smith: —in which I have called for an end to teacher strikes and lockouts and a replacement of that by an arbitration mechanism. People, in good faith may disagree with that. If the Premier wishes to say these strikes and lockouts, regrettable as they may be, in his view are still better than the previous system and that my system is no good, then he is free to do so. But interestingly he has not done so. Instead he has said, "We'll just have to keep studying the matter;" and so on and so forth.

This has become a technique in Ontario, as in all governments. It's not a political technique used just by this government, but it is somewhat overused by this government. Whenever there's a touchy issue, whenever there's a difficult and thorny issue it's relegated to a royal commission of some kind. I believe that although that's a clever tactic—and these folks would not have been in power for 36 years if they were not politically clever, they most certainly are—little by little it erodes that indescribable sense of what leadership is about.

Once in a while I think it's important to say: "Look, this is wrong. This has to be set right and we're going to do it and this is the date we're going to do it. If we need some more facts we'll get some people to study as rapidly as possible, but we feel basically that something is wrong or something is right." The business of taking every issue as it arises —freedom of information, the impact of declining enrolment—and setting up a royal commission to study it I feel has taken away from leadership. People would have more respect for the incumbent's leadership qualities if he would say yes or no on certain issues rather than always playing the political role of setting up royal commissions.

Let's look at the question of industry. The manufacturing sector in this country has been in serious decline, and Ontario, of course, suffers as a consequence of that. It's evident to me that only by the revitalization of manufacturing can the Ontario economy improve; otherwise we're doomed to a downward spiral.

Yet we see the key issues in manufacturing have to do with the foreign ownership of most of our manufacturing industries; because the Canadian-owned industries are doing quite well, but the foreign-owned industries, the branch plants, are a very serious drain on this country.

We see absolutely no willingness on the part of the provincial government to deal with the fundamental question of the foreign ownership of industry in Ontario. There's no willingness to come to grips with that whatsoever. Until that's done the drain of billions of dollars out of this country in dividends, profits and service charges will continue. The unwillingness of the various companies to compete on a worldwide scale, that will continue.

In the absence of a proper procurement policy, in the absence of a proper policy of demanding a code of corporate behaviour from the foreign-owned companies, nothing is going to happen. Yet the Premier con-

tinues to give the indication, as he goes around the world on his trips and so on, that we are a province that needs foreign investment, that we have to have money brought in if we're to have technology, that we're somehow technology poor and capital poor and we need more foreign ownership rather than less.

That abdication of responsibility—

Hon. Mr. Davis: That's not what we said.

Mr. S. Smith: The Premier says that's not what he has said. I haven't bothered to bring with me all the quotations. If the Premier says we don't need foreign ownership and foreign capital, then that's very different and I'll accept being corrected.

Hon. Mr. Davis: We didn't say that at all.

Mr. S. Smith: But he has given the impression that he believes that Ontario requires foreign ownership—that is, foreign investment. All right, I believe that we do not require—

Hon. Mr. Davis: There are some people who would say there is a distinction.

Mr. Deputy Chairman: Order.

Mr. S. Smith: Yes indeed, there is a distinction.

I do not believe Ontario requires foreign investment; I state that plainly. I say that most of the foreign holdings in Ontario today, upon which we have huge service charges leaving the country, giving us a chronic balance of payments deficit—because of which we cannot now have an independent economic policy it would appear—most of that balance of payments deficit is based on foreign assets in this country, financed by Ontario capital.

Hon. Mr. Davis: Are you opposed to GM's investment?

Mr. S. Smith: I am opposed to the notion that we have to have foreign capital coming in from elsewhere. GM of Canada is perfectly able to invest from its profits in Canada. The auto pact is one of those areas on which the Premier knows full well we have thrown in the towel.

Hon. Mr. Davis: That doesn't make sense.

Mr. S. Smith: We have no choice but to have a North American auto industry, as far as that goes.

Hon. Mr. Davis: So you are not opposed to—

Mr. S. Smith: Because we have already accepted that we are not going to have the great difficulties here of the lower wages, the more expensive automobiles and so on, that would have been required to have a Canadian auto industry. Frankly, I think in the long run we would have been better off if we had bitten the bullet and had a Canadian auto industry. But that is one of the industries where we have pretty well given up and it would be difficult to start today to build a Canadian industry.

I say to the Premier he should consider that most of the dividends and interest payments and so on, that leave this country—the service charges, the charges for patents, et cetera—are leaving based on American or other foreign assets in this country, the purchase of which were financed by Canadian capital: not by foreign capital at all but by foreign guarantees upon which Canadian lending institutions loaned money to allow Canada to sell out its economy in this way.

I say it not to get sidetracked at great length onto this matter, but the Premier has continued to give the impression that we are technology poor and that we have no choice but to invite foreign companies to set up branches in this country.

Hon. Mr. Davis: That's not true.

Mr. S. Smith: He will have his chance to say it's not true. I believe that has been the impression given and that he has not dealt with the matter of foreign ownership.

In the matter of interest rates in the economy, Ontario, as a manufacturing centre, will be very badly hit by high interest rates. Our small businesses, upon which I think we have to depend if we are ever to get out of foreign domination, our small businesses that have potential to grow are the ones that are hit worst; and of course our farming communities are hit very badly.

Reasonable people can differ on the question of high interest rates. I have heard it argued, as the Treasurer (Mr. F. S. Miller) has heard it argued by some, that we should have an independent policy because our inflation is not as bad as the Americans, that we don't have to be in lock-step or near lock-step with them. I have heard others argue that we have no choice, with such a chronic drain on our balance of payments, but to be in lock-step with the Americans.

Reasonable people can argue on that matter. I tell you I believe we should have an independent policy with lower interest rates, even if the dollar falls a few cents.

Hon. Mr. Davis: How many cents?

Mr. S. Smith: I don't have to predict that. The fact is, it wouldn't fall as far—

Hon. Mr. Davis: Of course you do.

Mr. S. Smith: How many cents does the Premier think the dollar is going to fall if we have slightly lower interest rates?

Hon. Mr. Davis: I don't have to make that prediction either.

Mr. S. Smith: Well you do, unfortunately. You see that is just the point, Mr. Chairman, that I have concluded over the years, watching this Premier. He will fail to take a stand on issues if he feels that somehow it might lose him some popularity or some votes.

Hon. Mr. Davis: Now listen, you should be very careful, very careful on that sort of line; you leave yourself wide open; you really do.

Mr. S. Smith: The fact is when Mr. McKeough was the Treasurer of this province, the federal government always knew where Mr. McKeough stood on matters of sales tax, revenue sharing, federal deficits, the various means of transferring tax points—on any federal policy, be it to do with interest rates, taxation policy or anything else. The federal government always wanted to know where Mr. McKeough stood, because they regarded him in some ways as the top financial man in this country, and at the very least as the number two financial man in this country.

Hon. Mr. Davis: You are finally recognizing his abilities. The things you used to say about the former Treasurer.

Mr. S. Smith: The fact is that Ontario was always regarded as being the leading province on money matters in this country.

Hon. Mr. Davis: But not always accepted.

Mr. Conway: It sounds like Pierre Trudeau talking about John Turner.

[12:00]

Mr. S. Smith: The fact is, as in so many other matters—federal-provincial matters, energy matters, French-English matters, educational matters, industrial strategy—in the question of economic policy, Ontario used to be regarded as a leader. It would never have happened in previous years, that a Treasurer of Ontario would go to meet with his federal counterpart without having an Ontario position to put before him on a fundamental issue of the day, which is, in fact, hurting the province of Ontario.

Hon. Mr. Davis: You are quite wrong.

Mr. S. Smith: I find it absolutely incomprehensible that the present Treasurer of Ontario and the present Premier cannot come out and say either they regrettably find it necessary to support the federal interest rate policy or they feel there is a better interest rate policy which should be found. To refuse to state a position may be clever politically—and I'm not saying it isn't a smart move in Ontario politics—but I will say this—

Hon. Mr. Davis: Don't be so cynical.

Mr. S. Smith: In the federal-provincial halls in this country, when you talk to the reporters in Ottawa, when you talk to some of the civil servants in Ottawa, they are quite dismayed at the extent to which Ontario has now abdicated what used to be a leadership role in economic matters. A good example of that is the degree to which you don't even have a position on the fundamental economic issue of the day, which is whether or not we should be going to high interest rates, following the American lead.

Hon. Mr. Davis: I don't like it.

Mr. S. Smith: The question is not whether anybody likes it; nobody likes it. Even Gerald Bouey doesn't like it. The question is whether Ontario has a policy on the major economic issues of the day.

Hon. Mr. Davis: The fact of the matter is the interest rate is determined by the Bank of Canada. You know that.

Mr. S. Smith: The fact of the matter is the interest rates are determined by the policy of the federal government in conjunction with the Bank of Canada.

Mr. Haggerty: Right.

Mr. S. Smith: That is well known. The Premier should know it. The opinion of the province of Ontario on economic policy must be made known to the people, but the Premier chooses not to. Let's not labour the issue.

Hon. Mr. Davis: You're very vulnerable, but go ahead.

Mr. S. Smith: The other day, I asked a question about whether the matter of Alberta's view of what ownership means in terms of resources is something which should go to the Supreme Court. I suggested it should. The Premier had an opportunity at that point to say it shouldn't and to give the reasons why he felt my idea was wrong. Obviously, I thought my idea to be correct, or I would not have put it forward, but it's possible the idea could be wrong.

It's possible the Premier of Ontario may have arguments to make, perhaps even cogent arguments, as to why taking the matter to court at this time would not be a good thing to do, but he didn't make those arguments, and consequently he's left me somewhat puzzled. I hope he will clarify this particular matter today.

Alberta seems to take the view it owns the resources and consequently, can set the price of those resources in interprovincial trade. There is a federal statute which says the federal government can set that price in the absence of an agreement with Alberta. I guess Alberta feels that federal statute is unconsti-

tutional and in fact, Alberta has the right to set the price because that's part of what ownership means. That's how Alberta, I would imagine, sees the situation.

It would appear from the potash rulings of the Supreme Court, that the Supreme Court tends to feel as I do. You don't have a country, when you have provinces able to set the price of commodities for interprovincial trade, and you no longer have free trade. That goes to the heart of the very question of what federalism means.

I would personally believe the constitution speaks very clearly on this matter, and the decision on the potash ruling by the Supreme Court—

Hon. Mr. Davis: You want a confrontation in the courts. I don't think we should at this time.

Mr. S. Smith: —makes that very clear.

However, when the Premier answered my question the other day, what he said, in addition to a number of adjectives describing my character, intelligence, maturity and everything else, was he believes this country requires, to settle this matter, a new constitution or a reform of the existing constitution.

I don't understand what he meant by that. When we're discussing the question of whether Alberta is allowed to price its own resources outside the province, why does the Premier feel that kind of question requires a reform of the constitution? It's my view that the constitution presently is very clear on the matter, and that the Supreme Court has been equally clear on the matter. I would assume that Alberta does not have a case, and the Premier agrees that Alberta does not have a case. Why, then, does he feel we need a new constitution to settle the matter?

If the Premier feels Alberta does have a case, and could successfully argue that it has the right to price its resource interprovincially, then I wish he would say that, because it puts a very different complexion on the way in which he's going about doing his bargaining with the federal government and with Alberta. If he believes in his heart that, in the last analysis, Premier Lougheed could set the price interprovincially, then I would begin to understand why he might be taking certain conciliatory postures and issuing documents about $5 increases, and so on.

Hon. Mr. Davis: Come on now. Mr. Chairman, the Leader of the Opposition has tried to present his discussion in a reasoned sort of way. I have my observations on what he is attempting to do.

Mr. S. Smith: What is this, a point of privilege?

Hon. Mr. Davis: It is a point of privilege because the Leader of the Opposition is suggesting implicitly in what he is saying that we support a $5 price increase—

Mr. S. Smith: Absolutely not.

Hon. Mr. Davis: —which he has said in many places around this province.

Mr. S. Smith: I have a point of privilege on the Premier's point of privilege.

Hon. Mr. Davis: The Leader of the Opposition has said so.

Mr. S. Smith: I have never said so. I want to be clear on this, because this is one of the points of personal animosity between the Premier and me, and we'd better get it straight.

Hon. Mr. Davis: I don't have any.

Mr. S. Smith: I have said that the Premier came up with a document which said he didn't want any increase in price—

Hon. Mr. Davis: That's not right either.

Mr. S. Smith: —beyond the $1 in January.

Hon. Mr. Davis: That's not correct either.

Mr. S. Smith: But that if there were to be an increase in price it would have to be divided up differently, so the first $2 would be divided the old way and then any further increases be divided a new way. Is that right?

Hon. Mr. Davis: Mr. Chairman, that isn't quite right. The Leader of the Opposition tries to oversimplify it.

Mr. S. Smith: Tell me what the document said?

Hon. Mr. Davis: I'm not going to get into it, because while the member may feel some personal animosity I have never let that sort of feeling enter into my—

Mr. S. Smith: No, of course not. The Premier is above all that. I understand that.

Hon. Mr. Davis: No, no, I'm not above it; I just don't feel that way.

Hon. Miss Stephenson: Sympathy, pity and some other things, but animosity, no.

Hon. Mr. Davis: I would make this point, if the Leader of the Opposition is saying that he hasn't said to other groups in this province that we have accepted, or we support, or by inference at least, suggested we are prepared for a $5 increase then I will be delighted to hear this. But I have a lot of press clippings where, in fact—

Mr. S. Smith: They're all from Claire Hoy.

Hon. Mr. Davis: Oh, no. I have others.

Mr. S. Smith: Then the Premier should get them.

Hon. Mr. Davis: If the Leader of the Opposition never said those things I'll be the first one to say hallelujah, or anything he wants me to say.

Mr. S. Smith: On the point of privilege, I want to be fair on this, because it would be nice to have it settled, and there is another matter to be settled, which is the Premier's speech saying that I was for world price. Let's deal with the $5 one first of all.

Hon. Miss Stephenson: The member was always for it. He was always in support of the federal position.

Mr. Cunningham: Be polite, Bette.

Mr. S. Smith: On the $5 issue, I have stated that the Premier issued a document which stated that he wanted virtually no increase except the $1, or whatever, but then went on to say that if there was to be a greater increase it would have to be divided up differently, and that most of the examples given in the document—

Hon. Mr. Davis: Now the Leader of the Opposition is getting close.

Mr. S. Smith: —have to do with how the $5 increase should be divided up. I've said in this House very plainly—and I wish the Premier would get out my speech on that—that that was a poor strategy. Mr. Clark would take that document and say to his cabinet colleagues, "Mr. Davis says he wants virtually no increase, or $1, or whatever, but he has issued a document saying that if the increase was $5 it would have to be divided up differently."

I say that the implication taken from that by any reasonable person reading it is not that the Premier is adamant that it must only be $1 but that he would settle for a larger increase provided it was divided up differently.

Hon. Mr. Davis: I don't settle.

Mr. S. Smith: All right, the Premier may say he doesn't settle, and I believe him, but what I'm saying to him—

Hon. Mr. Davis: The member is making progress.

Mr. S. Smith: —and I've never refused him of wanting a $5 increase—but what I'm saying to him is this, I am saying that his document practically ends up creating the impression that a $5 increase would be acceptable if it were divided up differently. That is, in fact, what your document shows. That is how it will be taken.

Hon. Mr. Davis: It certainly isn't how the Premier of Alberta is taking it or how the Prime Minister of Canada is taking it.

Mr. S. Smith: It's my view that anybody reading that document will take it that way. We'll see when the price goes up how they've taken it. Then we'll know how they've taken it.

Hon. Mr. Drea: Who said the price was going up? You're the guy who wants world price.

Mr. S. Smith: This interjection by the Minister of Consumer and Commercial Relations brings up the questions of the matter of world price.

Hon. Mr. Drea: I heard you say it in here.

Mr. S. Smith: I defy the minister to get the Hansard and produce that. What I have said plainly—and if the minister is interested in knowing my position I'll tell it to him.

Hon. Mr. Drea: I am.

Mr. Ashe: That's the November 2 one.

Mr. S. Smith: It would be useful if we could in some way clear the air on this, but if you don't want to, if you'd rather just keep spreading distortions, you'll carry on anyway, I suppose.

Hon. Miss Stephenson: Talk about spreading distortions.

Mr. S. Smith: The position was this in 1976, which is the one you're talking about—

Hon. Mr. Drea: Yes.

Hon. Mr. Davis: I thought that you said—oh, never mind.

Mr. S. Smith: I see, the Premier's allowed to stand up and correct what he thinks are my distortions. I'm not allowed to correct the minister's distortions.

Hon. Mr. Drea: I'm not distorting anything. Why don't you say it?

Mr. S. Smith: Are you interested? Okay, I assume the minister is. What I said at that point—and I have re-issued the statement so it's there. The statement was that we would be running out of the cheap oil, the western sedimentary basin oil in a number of years.

Hon. Mr. Davis: In a short period.

Mr. S. Smith: I said at the time that I thought it would be a relatively short period, that's correct. I said, in fact, that it was necessary therefore—you'll remember at that time the government of Ontario was arguing that there should be no increase in the price of oil whatever. All right?

The government of Ontario was arguing that there should be no increase whatever in the price of oil—at that time. I was saying at the time that there had to be some increase in the price of oil because ultimately, when we run out of the cheap oil, we would have

no choice but to import the expensive oil. I made the assumption that we would then have to pay world price because naturally, if you're importing it, you have to pay the world price. I said therefore, to avoid a drastic dislocation, we must move our prices up towards the world price because ultimately, when our cheap oil runs out, we'll have no choice but to buy the expensive oil.

I made one assumption at that time which was reasonable in 1976—it may still be reasonable today—that the Canadian supply —apart from the western sedimentary basin, the oil sands of Alberta, for instance, or the frontier oil from the Beaufort Sea which they were just exploring for at the time—when it came on stream would come on also at world price.

You'll remember that in 1976 the tar sands were slated then to come in above what was world price, if you'll recall. I also made the assumption that world price would be likely to track, itself, the substitute price. In other words, once shale-oil, for instance, was available in large quantities, whatever it would cost, the world—

Hon. Mr. Davis: World price is above that of Syncrude.

Mr. S. Smith: Now it is, but it wasn't then.

Hon. Mr. Davis: But it was anticipated it would be.

Mr. S. Smith: You say it was anticipated. It wasn't at the time. The assumption was going to be, at the time, that world price would be the likely price of Syncrude oil which was above world price at the time; similarly it was widely accepted at the time that we were going to have to pay something like world price for new oil. In fact, even your blended price proposal said that. Okay? That's what the point was.

Hon. Mr. Davis: There were three.

Mr. S. Smith: Today I recognize it's possible that frontier oil may be cheaper and Syncrude oil may be cheaper. We must therefore speak of replacement price. I understand that. Either way, it's going to be more expensive than the western sedimentary basin, and that's why there has to be some gradual increase in price. That's what I've been saying.

I have never said world price should be here in Ontario unless it had to be paid because we had no more cheap reserves. That's very clear from those statements and I invite the minister to go back and check that. If it's a genuine misunderstanding, let's get it cleared up.

To get back to the question I wanted to raise, the more important one on the constitution, why is it the Premier would say we need a new constitution to settle this question of who can price interprovincial—

Hon. Mr. Davis: I didn't say that.

Mr. S. Smith: The Premier says he didn't say we need a new constitution. I am just trying to find what he said. Here he said: "I would make this observation to him as well. One could maybe get a determination from the Supreme Court on this issue, but that isn't going to put the issue to bed. This is one of the concerns expressed by other first ministers . . . because the Supreme Court may or may not make a ruling.

"I happen to be one of those in this country who thinks . . . the long-term solution has to be by way of some constitutional change."

Interjection.

Mr. S. Smith: Give me one sentence and I will listen to the Premier. I appreciate there has to be some long-term change in terms of clarifying who owns resources because there are some provinces that feel their constitutions should be changed to give them more ownership, and there are some that feel maybe there should be less ownership. The question I was asking had to do with the pricing of interprovincial resources. I don't understand why the Premier felt we have to have that wait for a new constitution.

I hope the Premier feels, as I do, that Premier Lougheed does not have a case on his present ability to price interprovincial resources. I will let the Premier answer that. I just want to conclude my remarks as soon as he has answered that point.

Hon. Mr. Davis: I will make a note of it.

Mr. S. Smith: All right, if you would prefer to make a note, that's fine. That will be very acceptable.

In summary, I believe Ontario has lost its leadership in economic matters in this country. It has lost its leadership in constitutional matters in this country. In general terms it has lost its leadership in taking strong positions and bringing in new legislation. My heavens, there has hardly been a new initiative in the last two years that I can think of. There is occupational health, but it hasn't even been proclaimed. Then today we have had the insurance bill, which I welcome, but that is the first thing we have seen in about two years. In fact, the leadership of this province, in my view, has been very seriously lacking.

Somehow it is epitomized, if I may use that word, by the performance of the Premier in question period. I realize some of his style is political. He is very good at trying to pick up interjections and respond to those and I

think he does his thinking while he is doing that. It assists him.

It is a good technique, there is no question about it. If we are dumb enough to keep giving him interjections to respond to, I guess we deserve everything that is coming to us because when we don't interject and he has to answer the question, then in those situations we realize how empty his leadership is at the moment.

However, apart from these stylistic things, and apart from the fact we are all political from time to time, I truly believe in the last several days the Premier has gone to the point where there is almost no substance in the answer, but lots of personal invective and personal remarks.

Hon. Mr. Davis: You are too sensitive.

Mr. S. Smith: I may be sensitive, but I have only come to politics in the last four years. I believe the level of debate in this House can be raised somewhat above what it has been in question period in particular. Frankly, I think there is too much emphasis on question period. I would welcome a chance for the Premier, the leader of the New Democratic Party, myself and others actually to debate issues thoroughly in a respectable and respectful manner. I really would.

Hon. Mr. Drea: Hear, hear.

Mr. S. Smith: We are stuck with this question period format. The media seems to be built around it for some reason and it becomes sort of the place where we play out the issues. We have it and we are not going to change it immediately. Let's face it. We are stuck with it. I believe we ought to use that format, and I say with great sincerity that we ought to use that format to try to deal with the substance of the questions and the answers. The questions are sometimes very political and the answers are sometimes very political. I understand that.

If the Premier would take time to read Hansard of this last week, I do believe we have reached a new low in the sense we are having personal comments substituted for real policy. Unfortunately, not only is the Premier doing this, but some of his ministers are copying him. This morning was a perfect example with the Minister of Industry and Tourism (Mr. Grossman) and yesterday we had the Solicitor General (Mr. McMurtry).

Hon. Mr. Davis: There is nothing improper with what he did this morning.

Mr. S. Smith: It is not a question of impropriety I say to the Premier, with respect. It is a question of substituting personal attacks for policy questions and answers. I think we'd all be a lot better off if we'd see more leadership in this House on the subject of trying to answer questions factually. If the question is clearly political and has no substance in it worthy of response, then the questioner can be shown up as having asked that kind of empty question and it will be obvious to all concerned. But it would be shown up better by the Premier or some minister saying there is no substance in the question, rather than by ignoring the substance in the question and making personal attacks.

It's not that I can't take personal attacks. Believe me I can. I can think of better ways to spend my time, but if it is part of the job I can take personal attacks. I don't believe, however, the people are being well served by the Leader of the Opposition having to stand day after day to ask questions—which may be good or may be poor questions—and not have them answered. I think a good many of them are good questions; a good many of them are less than that. But I believe they deserve substantive answers and I do not believe that the process is improved by a Premier who resorts to personal attacks as a substitute for answers. I think that unfortunately his ministers, who aren't even as good at it as he is, are making crude attempts to copy that style. The Premier is setting the pace and they are following it.

I would say in summary: I believe that in the House; on energy matters; in terms of having a conservation policy; in having an industrial strategy; in French-English relations: in constitutional matters; in economic points such as the interest rates in the country; on the educational system; on many of the issues of the day and on the style of the day; the incumbent in the Premier's office is not conducting himself in a way which makes Ontario the leader it should be in Canadian affairs, nor the Legislature the leader it should be in Ontario affairs.

Hon. Mr. Davis: I would like to reply to some of these points but I won't take too long this morning. I will just read one thing from a communique to give a little bit of perspective: "Finally if he had known Mr. Clark's intentions, why then are we being treated to the charade of Mr. Davis' so-called fight . . ." These are the honourable member's words.

Mr. S. Smith: Yes.

Hon. Mr. Davis: "—with Mr. Clark and Mr. Lougheed on the whole oil price issue? Is this not dishonesty in the starkest form?" That's hardly the nonprovocative type—

Mr. S. Smith: On a point of privilege. The first sentence was, "If he knew what Mr. Clark's policy was."

Hon. Mr. Davis: By implication the honourable member is suggesting that I did.

Mr. S. Smith: No, I didn't say that.

Hon. Mr. Davis: Oh, come on.

Mr. S. Smith: Read the whole thing.

Hon. Mr. Davis: Mr. Chairman, I have been here a number of years. I know the Leader of the Opposition these days feels frustrated and perhaps overly sensitive. I try to treat these things with a little bit of good humour. I don't think the last five or six days, from my perspective, have been any more provocative, or less so, than a year ago or five years ago. Heavens above, I was in this House when the member for Sudbury was Elmer Sopha. If the honourable member thinks we on this side are provocative, he used to realign the whole government, the cabinet, the Prime Minister. The only one who was exempt from that honourable member's observations was his own leader.

I could resort to the same sort of thing in terms of what it was like when the honourable member's predecessor was there. We tease a bit about it. I don't mind the Leader of the Opposition saying the Honourable Mr. Robarts was better liked in the province of Quebec. I don't know how he analyzed this; it doesn't disturb me at all. It doesn't disturb me that he feels that Darcy McKeough, now he has left, was a greater Treasurer than our present Treasurer. That's the oldest ploy in the game, and the simplest thing to say. But he should please remember what the honourable member used to say about Darcy when he was here; what he said more importantly outside the House than inside the House.

When I read a statement such as this—because he is not an unintelligent person; I have never quarreled with one's intellectual capacity—but when he issues a release—and he did make speeches around the province—and it implicitly identifies $5 as the basis for his proposals to the federal and Alberta government—The honourable member can read that any way he wants.

I have got to tell you how the average person reads that, how the average person reads the press reports. There was an indication on your part—I am only going to deal with this one issue, because I don't want the member for Sudbury East (Mr. Martel) not to have his chance, and I will deal with this at greater length on Monday—that there was no question in the minds of a lot of people that you were suggesting the government of this province was in some way or other tied to a $5 price increase. I have to tell you that's a perception that is not my own alone. It's a perception held by many people, including those people who objectively report the activities of this House.

Mr. Chairman, I have had my leadership capacities questioned. They are questioned every day of the week. They have been for eight and a half years. Well, it is going on closer to nine years, and I expect they will for the next X number of years. I don't doubt that. It's one of the easiest things to do. It's simple. It's simplistic.

I notice when all of the MPPs were polled as to what are the basic issues in this session, out of the 36 who replied from all sides of the House, leadership was an issue with one person and that is the member for Hamilton West. I just ask myself if, when he attacks my leadership, and I don't take it personally and I hope he doesn't take anything I say personally and he would know more about these things than I do, it is a sort of internal problem or his own insecurity, perhaps in terms of leadership, which has to manifest itself by being critical of mine in such a personal way.

You are far more knowledgeable on how people's minds work than I am, but I think you would understand that when you take this sort of approach—I don't disagree with your doing it; that's your right; that's your privilege—I have to ask myself is there a certain basic insecurity in terms of your doing it in this fashion. I don't know. As I say, you could answer that better than myself.

I think one has to look at some of these issues you have raised. I am not sensitive, once again, in terms of the constitutional debates. The Leader of the Opposition may not recall this, but I was somewhat associated with these discussions during the 1960s. I give every credit to my predecessor for the initiatives he took. The reality is the first real opportunity for constitutional reform took place at the conference in 1971. That was the first opportunity and I am one of those who regrets, and the Leader of the Opposition I guess can blame me, the former Premier of Quebec didn't sell that package to the people of his province.

The fact of the matter is, Mr. Chairman, we were somewhat instrumental. I am a modest person and it is very difficult for me to stand up here and extol my virtues and I don't intend to. That's not my way, nor do I want to be overly critical of the Leader of

the Opposition because I know of his sensitivities.

I would also point out things have changed. We have a new government in the province of Quebec. Perhaps he won't recall that on the question of language the former Minister of Education was very directly responsible for the introduction of the bill that provided French-language secondary school services to the young people of this province. He might read some of those debates, some of the discussions leading up to the introduction of that legislation.

Mr. S. Smith: I did.

Hon. Mr. Davis: I think it is fair to state, Mr. Chairman, with some of the things I have said in the past two years, I don't doubt for a moment there are some people in Quebec who don't agree with me, who are less than enthusiastic about what I say, except for those who happen to be federalists. I do get some encouragement to keep restating that sovereignty-association is not acceptable to the people of this province.

I receive a great deal of encouragement. I receive some thanks in terms of my visits to the province to say this. It's not the easiest thing for a person to do.

Mr. S. Smith: What's difficult about that?

[12:30]

Hon. Mr. Davis: Well, all right. I am just saying you have your perspectives, I have mine. I think that what we are attempting to do, in what is a very different situation from 1971, is the right route that should be taken. I think we were the first government—I won't put it on a personal basis—that rejected the concept of sovereignty-association. I don't think there was another Premier who preempted this sort of position. I think you will find Ontario was the first on the record.

I think if you go back a short period of time, you will find that, at the last meeting on the constitution, Ontario probably provided more initiatives in terms of trying to reach a solution, than any other province of Canada. Quite frankly, Ontario was prepared to assist the former government of this country in a way that other provincial jurisdictions weren't prepared to accept. In fact, it was not preconceived in terms of patriation.

But this province, in order to unlock the debate that was going on, perhaps not with the same flair the Leader of the Opposition might have done it—no trumpets, et cetera—but it was clearly understood by everybody at the conference. It was well received by those who agreed with what was attempted; that our decision to say, "Let's have patriation if we can't get agreement," I think had a degree of impact. If the constitutional conferences had continued—we had a federal election that intervened and the process now has to be restructured in some fashion. I can't really tell the Leader of the Opposition just how this is going to be done. I don't know.

As I say, without being immodest, I really question whether one can say in today's climate, in today's environment, that Ontario in the field of constitutional change was supportive of the concept in terms of the things that we would like to have seen. The accommodations that we were prepared to make were very definitively stated, but this is where the Leader of the Opposition perhaps doesn't quite understand.

In 1971, when we came so very close, the provinces had agreed. We had agreed on an amending formula; we had agreed on patriation; we had agreed on distribution of powers; we had agreed on the supreme court. I guess there was no outstanding issue at that time where there wasn't agreement.

Mr. S. Smith: I understand.

Hon. Mr. Davis: That's fine. Then please understand that the position of some of the provinces in that intervening period of time has altered and altered substantially.

What were the things that were delaying any progress in terms of constitutional reform? I will tell you very simply: this position of one or two provinces who now insist that there be total unanimity with respect to an amending formula.

The Leader of the Opposition might say, "Why doesn't Ontario give some leadership; accept that proposal?" I can't accept that proposal in conscience. A lot of the provinces were prepared to make resource very clearly a total provincial responsibility. I guess one could demonstrate leadership by saying, "Sure. This will bring happiness, it will bring a consensus." I don't happen to agree with it, and I said that. It is one of the reasons a consensus was not reached for unanimity on that issue.

I think it is important as we relate it—and I will get around to pricing and these other issues that you raise, where you say there is a lack of direction or leadership. It comes down to the very crucial consideration, as well, as to whether the provincial governments, and the government of Canada, at this precise moment can in any real sense move ahead with constitutional reform or discussions, knowing full well that one of the participants, or one of the important participants, might not even participate in such a conference at this moment. I think

that has to be weighed. It has to be weighed very carefully.

I really can't quite understand why the last five or six days have upset the Leader of the Opposition. I don't pretend—

Mr. S. Smith: I am not upset.

Hon. Mr. Davis: Oh, come on. You were obviously upset. You were suggesting that there have been personal attacks.

Mr. S. Smith: I am disappointed.

Hon. Mr. Davis: All right. If you are disappointed, I can share some disappointments. Because you read your questions, read your speeches. It's fine to come in here and take—

Mr. S. Smith: You read your answers and read your speeches.

Hon. Mr. Davis: Oh, sure. So I acknowledge—

Mr. S. Smith: Read your speeches.

Hon. Mr. Davis: Listen, my speeches are in terms of portraying in a personal sense. They don't match yours. They don't come close.

Mr. S. Smith: Yes. The ones saying that—

Hon. Mr. Davis: They don't come close.

Mr. S. Smith: —you have a disagreement with Mr. Lougheed and Mr. Smith, who both want world price immediately. That was totally wrong.

Hon. Mr. Davis: That is our perception.

Mr. S. Smith: Totally wrong.

Hon. Mr. Davis: I will tell you, there are a lot of people who will argue that.

Mr. S. Smith: Totally wrong.

Hon. Mr. Davis: Listen, ask some of those who are totally objective. There are a lot of people who will argue that. I have some friends in Midland, they were there to hear the member speak.

Mr. S. Smith: How about the one Hugh Segal wrote for you in southwestern Ontario?

Hon. Mr. Davis: No, no, that's not correct. The member was up at the Midland Rotary Club—a very nonpartisan group. We all go to Rotary clubs to deliver, shall we say, explanations of our own approaches. I have a few friends at Midland Rotary Club. They're nice people. Most of them are Tories, I confess that to the member.

Mr. S. Smith: That was before my speech.

Hon. Mr. Davis: Afterwards, those who weren't before, they are now. I want to tell you that. No, I can't say that. I think only 95 per cent of those who were Liberal became Tories after the member's address. I know what their perception is as to the member's approach and what he was suggesting was our approach in terms of energy. It's not too different from the perception that I have.

Mr. Chairman, if we've upset the Leader of the Opposition in the give and take of the question period, I don't determine the questions and I don't determine the preambles. There seems to be a feeling on the part of the Leader of the Opposition that we can have a preamble that is sometimes quite provocative, a preamble that quite often states a point of view, and then he expects to get question back with a yes or no answer. He expects to get ministers or myself on this side of the House not to defend or to seize the opportunity to point out inconsistencies.

If the Leader of the Opposition wants to alter the question period, if he wants to do away with preambles, if he wants to ask precise questions that don't reflect any political bias, et cetera—which I think would be unfortunate—then we would be quite prepared, if we could, to give a straight yes or no answer. Please, when the member reads my answers—and I don't read my answers, because when I read the Instant Hansard and see the number of dangling participles and split infinitives it really distresses me.

Mr. S. Smith: You should really read this week's, I would really suggest it.

Hon. Mr. Davis: Read some of your questions, and don't confine it to this week. I stand here and I sit here and on occasion I listen to some very sarcastic observations on the member's part, and in terms of the personal approach to some ministers and what he says about them, please don't expect us to sit here and not react in reply. There's an old saying, it was Truman: "If you can't stand the heat, get out of the kitchen."

Mr. S. Smith: I'm enjoying it.

Hon. Mr. Davis: All right then.

Mr. S. Smith: You people are touchy lately.

Hon. Mr. Davis: I'm not touchy. He's the one who, three quarters of an hour ago, said he was touchy, that he wasn't enjoying it and that he didn't like it. I haven't said this. If the member is now saying that he, in fact, doesn't object to what has been going on in the question period than I accept it. However, I think that really is an issue that is not worthy of debate.

Mr. S. Smith: It's only because you're touchy and we're getting to you that you're resorting to insults.

Hon. Mr. Davis: Mr. Chairman, the truth of the matter is, the reason he is concerned at the moment is because he knows he's not making very much headway and that bothers him.

Listen, we all have egos. No person in political life is without an ego. But there are some who have much larger egos then others —much larger. I won't even identify those who I think have much larger ones.

Mr. MacDonald: Mr. Chairman, I think this is getting more and more personal.

Hon. Mr. Davis: I think the member for York South is correct. I will soon be provoked into saying who I think has a tremendous ego, but I won't. Let's deal with the question that was raised as to whether or not we should have a reference to the Supreme Court. I think it was premature and immature. Is that offensive?

Mr. Martel: How long are you going to be?

Hon. Mr. Davis: He was three quarters of an hour. I've only been 25 minutes.

Mr. Martel: I just want to be assured you won't quit before Monday.

Hon. Mr. Davis: I have five hours scheduled and I assume we're going all Monday afternoon and part of Monday night.

Mr. Martel: I will be here Monday then.

Hon. Mr. Davis: You'll be here Monday? I may finish any minute.

Mr. Martel: No, no, keep it going.

Hon. Mr. Davis: I may not be able to keep it going.

Let's deal with the member's—not suggestion, but why haven't I the courage to take a reference to the courts. It's not a question of having courage to take it to the Supreme Court.

Mr. S. Smith: I've never said it took courage to go to court. You're making up your own words and then refuting them.

Hon. Mr. Davis: No, I am just trying to point out to you there is a great deal of complexity to this issue.

Mr. S. Smith: I never used the word "courage."

Hon. Mr. Davis: I think in an interjection you did. But that doesn't matter.

Mr. S. Smith: No. I was encouraging you to go to the Supreme Court.

Hon. Mr. Davis: Okay, so you were aggressively suggesting we should take it to the Supreme Court.

Mr. S. Smith: I don't see why you don't do it.

Hon. Mr. Davis: That's right, and I am trying to explain to you. I know because we didn't agree with you, you became upset. I understand you were out there, before the TV cameras, quite upset.

Mr. S. Smith: All you did was call me immature and naive. You never explained why you wouldn't do it.

Hon. Mr. Davis: I thought I had. I will try to tell you even more.

Mr. S. Smith: Excellent

Hon. Mr. Davis: There is a certain sensitivity, and I think the member for Riverdale (Mr. Renwick) really made it quite clear.

Mr. S. Smith: I don't believe so.

Hon. Mr. Davis: Yes, he did. If you want to debate with the member for Riverdale—

Actually, as I said, he put that day in very succinct terms, what it took me a little longer to say. I thought he summed it up very well.

What I was trying to say, and I will go through this very carefully with the Leader of the Opposition, is during the course of this debate—and the rhetoric isn't that much different from what it was in the 1974 debate on oil and gas pricing, some of it perhaps a little more heated; I am not sure—I think it would be most unfortunate and premature, and I won't go any further than that, to seek a legal interpretation or decision when the issue is there for discussion by the first ministers.

If the Leader of the Opposition is concerned about national leadership, a national view of Canada, I have got to tell you, if there is one thing that has emanated in the past three or four weeks that is disturbing, it is the policy that there should be $1 in January and $1 in July, which I understand is your policy—correct me if I am wrong—

Mr. Haggerty: That's already agreed upon.

Hon. Mr. Davis: Just a minute now—

Mr. Haggerty: You agreed to it.

Hon. Mr. Davis: —with not a penny to the producing provinces. Alberta should get nothing. I have to tell the Leader of the Opposition, if he thinks that leads to some degree of reconciliation of points of view, then if I lack leadership on a national basis, I don't know where he would be in the batting order of things, in terms of trying to resolve these issues on that kind of approach.

I think what it is essential to understand is the producing provinces are, in fact, entitled to an equitable or fair—whatever term one may wish to use—for what is a—

Mr. S. Smith: Not the oil companies.

Hon. Mr. Davis: We aren't talking about the oil companies. You said the producing provinces shouldn't get a nickel—

Mr. S. Smith: Yes, that's right—for one year—

Hon. Mr. Davis: Listen. We live a year at a time in this House. We live a day at a time.

Mr. S. Smith: That's right; that was my policy, that the oil companies and Alberta forego it for one year.

Hon. Mr. Davis: I'm saying, if we were to suggest at this moment, while this matter is in discussion, that we want the courts to resolve issues that should be resolved by provinces, or ultimately by the government of Canada, I think would be extremely regrettable. I make no bones about it. I think it would be divisive.

Mr. S. Smith: Why?

Hon. Mr. Davis: Can you just picture what the Premier of Alberta and the citizens of Alberta, the people of Saskatchewan, the people of British Columbia and a lot of other people would say? Here is the province of Ontario taking this to the Supreme Court of Canada, during a discussion where the government of Canada has been able to resolve these things without this type of confrontation. If you want that sort of thing, fine. I don't. I think it would be wrong, and there are a lot of people who agree with me on that issue. I have found no support for hauling Alberta into the courts—none at all. It isn't as simple—

Mr. S. Smith: Lougheed thinks he can price it. It would be nice to set him right on that.

Hon. Mr. Davis: Please let me finish. I know what Premier Lougheed has said. I also know what the Prime Minister has said. I know what Premier Lougheed said some years ago. I know what, in fact, has happened. The fact is Alberta has not unilaterally endeavoured to price. Alberta has not in any way attempted to cut off the flow—

Mr. S. Smith: But he claims he can.

Hon. Mr. Davis: Just let me finish.

Mr. Acting Chairman: Order.

Hon. Mr. Davis: —has not attempted to cut off the flow; they have never attempted to do this. The Prime Minister has made it quite clear that, in his view, legally this can't be done. In terms of pricing, what has to be understood is this is one of the essential areas of debate in terms of the constitution. It does get down to the very basic consideration of the ownership of the resources and their control.

This is where the Premier of Alberta, with the support of others, incidentally, takes a much harder line as to what he would like to see accomplished than some other provinces.

Mr. S. Smith: What does the constitution say?

[12:45]

Hon. Mr. Davis: Let me finish. No one is quarrelling with the concept of ownership—that is a fact of history—nor control, in the sense they have control over its development and the environmental considerations. There is no question about that, but there should be a paramount national interest in terms of the economics. I'm saying that is an issue that is still there in front of us. It is not going to be resolved during the current debate on the price of oil and gas. To say we should have a confrontation in the courts at this precise moment I think would be highly undesirable. I do say it is premature.

Mr. S. Smith: You say it's undesirable. But why?

Hon. Mr. Davis: That's fine. Then don't get upset about it.

Mr. S. Smith: I'm not upset about it.

Hon. Mr. Davis: Then why did you come in here today saying you were upset?

Now let's deal with manufacturing.

Interjection.

Hon. Mr. Davis: Do you want me to eat up—

Mr. S. Smith: No, I don't want you to eat up the time. I respect the needs of the other parties.

Hon. Mr. Davis: We're going to have—

Mr. S. Smith: It would appear that what the Premier is saying is that it would be better to settle the matter about ownership and so on by negotiation between the provinces and the country rather than in the courts. I can understand you might prefer to do it that way. All I'm asking is why. Why is it so terrible to settle the matter in the courts? That's all.

Instead of getting an answer as to why it's so bad, I'm told what an immature suggestion this is, or naive, or whatever.

Hon. Mr. Davis: I'm saying the history of this country has been predicated, in 99 cases out of 100, on solving these problems—

Mr. S. Smith: I think it's constitutional.

Hon. Mr. Davis: —other than by reference to the courts.

Mr. Conway: That's a very selective history.

Hon. Mr. Davis: All right. I'm just telling him most of them have. I'm suggesting that if we want to resort to the courts to interpret, redraft or bring about constitutional change, I think it would be highly unfortunate. I think this is a broader issue that hopefully—

Mr. Conway: Our mandate was determined by the courts.

Hon. Mr. Davis: —will be done by some degree of consensus. I don't expect there will ever be total unanimity. I just reject the route of the court at this present time. I think it would be wrong.

Mr. S. Smith: Then reject it.

Hon. Mr. Davis: Let's move into manufacturing.

I think, in fairness, the NDP has first shot on Monday afternoon. I may come back to some of these matters as well on Monday—of course, I'll never use up more time than anyone else, in case it creates a sensitive feeling.

I asked the Leader of the Opposition, who has been interpreting some of my remarks as being anxious to have massive foreign control —no, you used the word ownership.

Mr. S. Smith: And I accepted "investment" when you used that.

Hon. Mr. Davis: All right. Now we agree on "investment." Actually, what I have been saying—and I happen to believe it—is that investment—I guess the word "foreign" is acceptable. I sometimes use the term "investment" to refer to sources other than within Canada. The history of this country relates to that. No one is going to debate it. There is no question that the United States went through a period when "foreign" ownership was a very dominant part of their economy. There's no question I would like to see greater Canadian control—and I think there is a difference. In fact, this government provided some measure of leadership on the subject of who must be citizens to sit on boards of directors. This was perhaps before the Leader of the Opposition became a member of the House, I forget; the member for Kitchener can refresh my memory.

We were in support of the philosophy of FIRA. We're not anxious to see control, in the sense of our political destiny or anything of that nature, in other than Canadian hands. But I think it has to be understood that if we wish to maintain the economic growth of this province, we're not going to do it by isolating ourselves from the enlightened interests of people who happen to live or have financial resources beyond the borders of this province or of this country.

You can hedge. You can say the automotive industry is different. With respect, the automotive industry is not different. It is an important part of the economy of this province.

I can understand the Leader of the Opposition objecting to the contribution this government made to the Ford Motor Company; I think that is a different issue. But if one takes his remarks to their logical conclusion, he really is saying he would be discouraging General Motors from the very major capital investment they're making. That is foreign investment.

Mr. S. Smith: Of course not. That's an industry that has already gone by the board. There is no hope of a Canadian car company and the Premier knows it.

Hon. Mr. Davis: All right, if an auto parts industry comes in, the member would say that if they happen to have some foreign investment attached thereto he would oppose it.

Mr. S. Smith: That's right. I prefer Canadian.

Hon. Mr. Davis: Then I've got news for him.

Mr. S. Smith: I prefer Canadian.

Hon. Mr. Davis: Of course, we would all prefer it if we had our preferences.

Mr. S. Smith: We have Canadian companies that can grow, that can see that.

Hon. Mr. Davis: My perception of leadership is very different from the member's, I guess. I think it's part of my responsibility to face some of the realities. While I'd like to have the perfect world, there isn't a perfect world. My responsibility is to give some leadership in terms of the economic direction of this province that takes into account the need to provide job opportunities. That may not be one of the Leader of the Opposition's priorities but it happens to be one of ours.

Mr. S. Smith: Canadian investment.

Hon. Mr. Davis: The fact of the matter is you must have, in terms of joint ventures, in terms of some of our manufacturing sector, a policy that recognizes you can't close the border as a parallel. You just can't do it. That is not the real world.

Heaven's above, when I was in some of these other countries what they're looking for —and they don't have the same point of view as the member—what they would like to see is Canadian investment and joint ventures in their countries. This is the direction they want to see happening.

Mr. S. Smith: They don't have our problems.

Hon. Mr. Davis: Of course they have some of our problems. Of course they do.

Mr. S. Smith: Not like we do. No country in the world has our problems.

Mr. Acting Chairman: Order.

Hon. Mr. Davis: No, they don't, but they have different problems. They have a lower standard of living in many of them. They don't have the same quality of life. They don't have the same opportunities.

I listened to the member this morning when he said how bad things are and I could be prompted to say that they're not so bad in this province as compared to a lot of other jurisdictions. I have to say to the member, in terms of his approach to the manufacturing concept, if one were to follow his logic to its logical conclusion—and I don't say this in an unkind fashion because we're being friendly here this morning and not trying to provoke one another—I believe honestly that his narrow, restrictive approach would lead to a diminuation in the economic growth of this province.

Mr. S. Smith: You mean diminution in Ontario.

Hon. Mr. Davis: That's right. It would lead to fewer job opportunities being created. I happen to believe that.

Mr. S. Smith: The Premier happens to be wrong.

Hon. Mr. Davis: I happen to think that point of view is shared by a lot of people.

Mr. S. Smith: The government has multinationals.

Hon. Mr. Davis: The member is not going to get me defending the multinationals. I don't even know half the multinationals.

I listened to our friend from Edmonton before he was at the member's annual meeting. We've got a parliament in Peel. It's up in Palace Barn. This is one of the great cores of the Committee for an Independent Canada. Mel and others were there and he gave the same speech that he delivered at the member's convention.

You're not going to get me on the side of antinationalistic feelings. I have them, perhaps even more so than the member.

Mr. S. Smith: We are not discussing the Premier's feelings, just his policies.

Hon. Mr. Davis: All right, policies, but I have to tell the member what is intriguing to me. It's that he centred a great deal on the economic side of it but he makes very few references to what I think is perhaps as significant and that is the whole aspect of "cultural nationalism." I think this is, in many respects, as great a problem for us as a country in the economic field.

I'm digressing here, but as the Leader of the Opposition has wandered around all of the perimeter of all of this, this morning, why shouldn't I? I share this point of view with him. I've said it on other occasions. I'm not unconcerned about the economic side. I want to make that very clear. But I am as concerned, in some respects, with the cultural side.

How many children does the member have now?

Mr. S. Smith: Two.

Hon. Mr. Davis: Two? He is three behind us. I've lived through three growing up. Our youngest is now 16 and we don't see as much of the others.

I went through a period where they watched a little bit of television. I know, with the member's talents, he probably doesn't expose his children to as much television as we did, but I don't have that same sort of parental discipline.

Mr. J. Reed: Is this conversation in order?

Hon. Mr. Davis: The member for Halton-Burlington didn't come in and listen to his leader's conversation with me.

Mr. J. Reed. Where was I?

Mr. Acting Chairman: Order.

Hon. Mr. Davis: I guess what I've always regretted, while we are in this discussion of leadership, is that so many of our young people will know Lincoln's birthday before they'll know Sir John A. Macdonald's birthday, or even Sir Wilfrid Laurier's—and it doesn't offend me.

Look at Brother Hall putting his hand up. He knows Lincoln's birthday—a different Lincoln. I worry about this. I worry about it in terms of the feeling people have with respect to the nationalism of this country. I don't say that in a narrow sense. I say it in terms that we don't have the appreciation of our history that we should, because of the very predominant or prevalent, or the amount of television from the three major networks in the United States of America, that really does impose, I think, in terms of nationalism—and this is really what you're talking about—a very difficult situation for us. I would even suspect the Leader of the Opposition reads a number—if he stops yawning here—of American periodicals. He may even read more American periodicals than Canadian, I don't know. I would think that once again—

Mr. S. Smith: That's irrelevant.

Mr. J. Reed: Can someone tell me how this is all relevant?

Hon. Mr. Davis: You're trying to tell me that this government's policy, with respect to multinationals and foreign investment, was leading this country the wrong route. I'm just sharing with you that I think as significant a problem—

Mr. S. Smith: Are you going to tell me that my kids watch television too much?

Hon. Mr. Davis: No, I'm just saying as significant a problem—you can smile, you can be very stately about it, et cetera. The fact of the matter is, in terms of the future of this country, our concern should be as much about the cultural impact, or the lack of identification of Canadian culture in some objectives in this area, as it is in the economic field. That's a personal point of view, and the member for Lincoln (Mr. Hall) is nodding his head vigorously.

Mr. S. Smith: He's just nodding off.

Hon. Mr. Davis: Did the member for Lincoln hear that? Your leader says you're nodding off. I don't know what that means, whether that means he's going to the back bench—

Mr. Acting Chairman: I don't think this is in your estimates, Mr. Premier.

Hon. Mr. Davis: I've got to tell you, Mr. Chairman, most of what's gone on here this morning hasn't been in my estimates; but then I didn't set down the ground rules.

Mr. Breithaupt: The three-minute flag is up, Mr. Chairman.

Hon. Mr. Davis: I haven't reached interest rates or my final remarks on the constitution, so I'll leave those—

Mr. Conway: If you're like the Argos, you've reached the end.

Hon. Mr. Davis: I tell you, 1980 will be the year of the Argos.

I was interrupted on manufacturing. It is so simple to say, and I know that it can create in some audiences an emotional response, "Down with the multinationals. No more foreign investment or ownership. Let's do everything by ourselves."

I have to reiterate, and I do it with some vigour, and quite frankly with some frequency, that that is the kind of policy that will lead us in economic terms into very serious difficulties. There's a fair amount of interest in Ontario, and in Canada in terms of investment. There is a growing recognition that Ontarians and Canadians want a greater measure of control of the decision-making process in these things, a greater recognition that joint ventures are far more acceptable.

I would hope the leader of the Opposition might distinguish between a joint venture that involves foreign investment, and a non-joint venture that involves foreign investment. Maybe I can get him to come that far with me, except he would probably want the percentages to be 90-10, which would make it unrealistic. But an equitable share, he would support.

Mr. S. Smith: Sure, it would make it more interesting than—

Hon. Mr. Davis: We're making some progress. The leader of the Liberal Party now says it's not so bad to have foreign investment, if it is in conjunction with a Canadian organization; so that in fact it is not foreign investment, it is a joint venture using foreign capital to assist in the development of the venture. Is that a fair way of summing up your position?

Mr. S. Smith: If the control remains in Canada and the bulk of servicing charges are in Canada and it becomes a world class industry, of course.

Hon. Mr. Davis: Let's not insulate this thing to it having to be a world class industry in every case. I have more modest aspirations for some investments that are taking place. I really don't expect them to be world class. Can I get you to accept the fact they don't have to be world class in order for them to be valid and acceptable to you? We're going to have the member for Hamilton West's own review board, in terms of economic development of this province.

Our unemployment rate would be around 15, 20, 25 per cent—

Mr. S. Smith: Nonsense, and you know it.

Hon. Mr. Davis: It is not. Mr. Chairman, I think it's fair to state that in general terms, the economic policies of the government—and I find today we're really defending the total policies of the government on all of these issues—that it has been realistic; it has been sensitive, and what's more—and this is what disturbs you people, I know that—it has been relatively successful.

I'm not happy with the present rate of unemployment. I make no bones about it. It has gone down. I'm not happy with some of the economic things we see on the horizon, with respect to our neighbours to the south. But one can't ignore one of the realities; that is that within this province—I'll take no credit for the government—close to 140,000 jobs were created this year. That

is not insignificant when you find on a percentage basis or any way you want to compare it, that there's not another jurisdiction that can make that sort of claim of a comparable nature.

Look at the figures in West Germany, in Japan, in the United Kingdom. Look at them in the United States and in any industrialized state of the United States. Look at the percentage of people coming into the work force. Look at the number we have been able to accommodate within this province.

While the Leader of the Opposition may not like the way I do things, the only thing I can say to him is that the results have apparently not been too bad. I take no credit for it. I will be very modest here this morning. But I have to tell you, if you are talking about leadership and your perception of it, I don't expect you to say we are a great head of government. That would shock me, although some day when I retire and your successor, whomever he or she may be, is there as Leader of the Opposition, may just say, "Gosh, what great old days when the member for Brampton was here as Premier," as we will say about you, when you have gone and there is some Leader of the Opposition here on that side of the House.

On motion by Hon. Mr. Gregory, the committee of supply reported a certain resolution.

Motion agreed to.

The House adjourned at 1:05 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
97	4069	1	18	the bids and the contract went to Grumman

APPENDIX A

(See page 4132)

ANSWERS TO QUESTIONS ON NOTICE PAPER

MULTICULTURALISM COUNCIL

313. Mr. Grande: Will the ministry responsible summarize the recommendations of the Ontario Advisory Council on Multiculturalism, pointing out recommendations that have been accepted and why, and recommendations that were rejected by the government and why? (Tabled October 16, 1979)

Hon. Mrs. Birch: The following is a summary of recommendations to the government of Ontario:

Concerns of native peoples: recommended that Ontario support organizations of native peoples; that there be an instrument for more effective communication between native peoples and the provincial government; and that government support include assistance towards enabling native people to reclaim their identity.

Citizenship, immigration and the needs of newcomers: recommendations on the above subjects were presented as possible input to the federal green paper on immigration.

Language and education: recommended that third-language programs be encouraged; that knowledge about these programs be made available to the public; that courses for the certification of teachers of third languages be established; and that workshops be carried out under the auspices of the Ministry of Education.

Cultural policy: recommended that the government more clearly define its support of fine arts, popular arts and ethnocultural expression. Further recommended that financial assistance be provided for festivals and exhibitions and that programs of cultural exchange be promoted.

Information centres: recommended that such centres be multilingual, be funded by all levels of government and be supported through the provision of information about government activities.

Hate literature and racism: recommended that organizations who exploit social, ethnic and religious discord should be investigated and that provocative recorded telephone messages be banned.

Policy on multiculturalism: recommended that a multicultural policy be designed so as to preserve ethnocultural values, encourage the sharing of these values, oppose all forms of discrimination and promote a specific Canadian identity.

Education curriculum: recommendations were made in a number of areas including third-language instruction, official languages, resource materials and teacher sensitization.

Services and programs for new immigrants: a comprehensive set of recommendations were made regarding reception services, dissemination of information, learning of official languages and other matters of concern to new immigrants.

Grants from the Ontario Arts Council: recommended that grants be made available to individual groups as well as umbrella organizations.

Cultural history: recommended that the Ministry of Culture and Recreation should assist in researching the history of various ethnocultural groups and that a permanent research unit be established.

Grants from the Ministry of Culture and Recreation: recommendations were made regarding the criteria for awarding grants provided by the ministry.

Response to the green paper on immigration: a comprehensive response to the federal green paper on immigration was presented by the advisory council. It was recommended that the government of Ontario publicly announce its response to the green paper.

Public attitude towards multiculturalism: recommended that the Ministry of Culture and Recreation develop and fund television spots on multiculturalism.

Preservation of native languages: recommended that the Ministries of Education and Culture and Recreation assist in the preservation of the languages of native peoples through both documentation and research.

Teacher education: recommended that a number of steps be taken to improve teaching techniques in a multicultural society.

Intercultural awareness and understanding: recommended that the government promote greater awareness and understanding through appropriate use of public media.

Native education: recommended that discussions with the federal government be reopened regarding the funding of education for treaty Indians living off reserves.

Case histories of multicultural projects: recommended that Culture and Recreation publish a pamphlet documenting case his-

tories describing successful multicultural projects.

Advisory Committee on Confederation: recommended that a native person be appointed to the Ontario Advisory Committee on Confederation and that a series of regional conferences be organized which would include representation of native people.

Public libraries: recommended that a method for the exchange of multicultural material be developed for use by public libraries.

Liaison between religious communities in Ontario: recommended that the Ministry of Education serve as a liaison channel.

Multicultural programs in colleges and universities: recommended that the ministry improve communication between educational institutions to promote the knowledge of multicultural programs.

Religious Institutions Act: recommended that this act be amended to place major religions of the modern world on a par with Christianity and Judaism.

French-language programs: recommended that more attention should be given to the teaching of French language in the context of French-Canadian culture and that language education be initiated at the kindergarten level.

Promotional literature on tourist attractions: recommended that the Ministry of Industry and Tourism take reasonable measures to ensure that promotional literature on tourist attractions does not contain any derogatory remarks about any of the peoples of Ontario.

Multilingual services of public libraries in Ontario: recommended that the Ministry of Culture and Recreation take steps to improve the publicity given to multilingual library services and that institutions training librarians be encouraged to include an optional course on the library needs of multicultural society.

Racial, religious and cultural integrity in Ontario school material: the council reviewed a set of guidelines for authors and publishers which had been prepared by the Ministry of Education. The council requested that their comments be forwarded to the Ministry of Education.

Appointments to agencies, councils, advisory bodies and commissions: recommended that forthcoming appointments to such bodies be made known to as wide a spectrum of Ontario society as possible.

Hiring and promotion of civil service personnel: While expressing its desire to avoid any reverse discrimination or the placement of unqualified individuals, the council recommended that an effort be made to hire and promote qualified individuals from racial and ethnocultural backgrounds reflecting the multicultural composition of the province.

International Year of the Child: in response to a request to consider possible activities for the International Year of the Child, the advisory council made a number of recommendations. These touched on projects that might be undertaken in schools, in the community and in the home.

None of the above recommendations were rejected.

FEE-FOR-SERVICE PAYMENTS

324. Mr. Breaugh: Would the Minister of Health table, according to payment per fee-for-service physician by specialty for physicians earning more than $20,000 in payments for the years 1972-3, 1973-4, 1974-5, 1975-6, 1977-8, the average total payment per specialty for the following specialties: general practice, internal medicine, neurology, psychiatry, paediatrics, dermatology, other physical medical specialties, general surgery, thoracic and cardiovascular surgery, urology, orthopaedic surgery, plastic surgery, neurosurgery, ophthalmology, otolaryngology, obstetrics and gynaecology, and anaesthesia? Would the minister indicate why Ontario has previously refused to allow this information to be published in the Department of Health and Welfare's statistical supplement to the annual report? (Tabled October 19, 1979.)

Hon. Mr. Timbrell: Our interim response to Order Paper question 324 reads as follows:

We are presently in the process of compiling the response. We will table this response with you approximately November 15, 1979.

HSO—GROUP PRACTICE COMPARISONS

325. Mr. Breaugh: Would the Minister of Health table the most current data available through the Hospital Days Reduction Incentive Information System comparing the performance of existing health service organizations and group practices with their districts? (Tabled October 19, 1979.)

Hon. Mr. Timbrell: Our interim response to Order Paper question 325 reads as follows:

We are presently in the process of compiling the response. We will table this response with you approximately November 15, 1979.

FUNDING OF HOSPITALS

328. **Mr. Breaugh:** Would the Minister of Health indicate for the last three fiscal years which hospitals have appealed for additional funds; what were the reasons for such appeals; how much was requested; how long did it take the ministry to consider the appeal; and how much did the mininstry give in each specific case? (Tabled October 25, 1979.)

Hon. Mr. Timbrell: Our interim response to Order Paper question 328 reads as follows:

The ministry is presently reviewing this question and we anticipate a response will be tabled approximately November 16, 1979.

APPENDIX B

ALPHABETICAL LIST OF MEMBERS OF THE LEGISLATURE OF ONTARIO

(125 members)

Third Session of the 31st Parliament

Lieutenant Governor: Hon. Pauline M. McGibbon

Speaker: Hon. John E. Stokes **Clerk of the House: Roderick Lewis, QC**

Member	Constituency	Party
Ashe, G.	Durham West	PC
Auld, Hon. J. A. C.	Leeds	PC
Baetz, Hon. R. C.	Ottawa West	PC
Belanger, J. A.	Prescott and Russell	PC
Bennett, Hon. C.	Ottawa South	PC
Bernier, Hon. L.	Kenora	PC
Birch, Hon. M.	Scarborough East	PC
Blundy, P.	Sarnia	L
Bolan, M.	Nipissing	L
Bounsall, E. J.	Windsor-Sandwich	NDP
Bradley, J.	St. Catharines	L
Breaugh, M.	Oshawa	NDP
Breithaupt, J. R.	Kitchener	L
Brunelle, Hon. R.	Cochrane North	PC
Bryden, M.	Beaches-Woodbine	NDP
Campbell, M.	St. George	L
Cassidy, M.	Ottawa Centre	NDP
Charlton, B.	Hamilton Mountain	NDP
Conway, S.	Renfrew North	L
Cooke, D.	Windsor-Riverside	NDP
Cunningham, E.	Wentworth North	L
Cureatz, S.	Durham East	PC
Davidson, M.	Cambridge	NDP
Davis, Hon. W. G.	Brampton	PC
Davison, M. N.	Hamilton Centre	NDP
di Santo, O.	Downsview	NDP
Drea, Hon. F.	Scarborough Centre	PC
Dukszta, J.	Parkdale	NDP
Eakins, J.	Victoria-Haliburton	L
Eaton, R. G.	Middlesex	PC
Edighoffer, H. (Deputy Speaker and Chairman)	Perth	L
Elgie, Hon. R.	York East	PC
Epp, H.	Waterloo North	L
Foulds, J. F.	Port Arthur	NDP
Gaunt, M.	Huron-Bruce	L
Germa, M. C.	Sudbury	NDP
Gigantes, E.	Carleton East	NDP
Grande, A.	Oakwood	NDP
Gregory, Hon. M. E. C.	Mississauga East	PC
Grossman, Hon. L.	St. Andrew-St. Patrick	PC
Haggerty, R.	Erie	L
Hall, R.	Lincoln	L
Handleman, S. B.	Carleton	PC

Member	Constituency	Party
Havrot, E.	Timiskaming	PC
Henderson, Hon. L. C.	Lambton	PC
Hennessy, M.	Fort William	PC
Hodgson, W.	York North	PC
Isaacs, C.	Wentworth	NDP
Johnson, J.	Wellington-Dufferin-Peel	PC
Johnston, R. F.	Scarborough West	NDP
Jones, T.	Mississauga North	PC
Kennedy, R. D.	Mississauga South	PC
Kerr, G. A.	Burlington South	PC
Kerrio, V.	Niagara Falls	L
Lane, J.	Algoma-Manitoulin	PC
Laughren, F.	Nickel Belt	NDP
Lawlor, P. D.	Lakeshore	NDP
Leluk, N. G.	York West	PC
Lupusella, A.	Dovercourt	NDP
MacBeth, J. P. (Deputy Chairman and Acting Speaker)	Humber	PC
MacDonald, D. C.	York South	NDP
Mackenzie, R.	Hamilton East	NDP
Maeck, Hon. L.	Parry Sound	PC
Makarchuk, M.	Brantford	NDP
Mancini, R.	Essex South	L
Martel, E. W.	Sudbury East	NDP
McCaffrey, B.	Armourdale	PC
McCague, Hon. G.	Dufferin-Simcoe	PC
McClellan, R.	Bellwoods	NDP
McEwen, J. E.	Frontenac-Addington	L
McGuigan, J.	Kent-Elgin	L
McKessock, R.	Grey	L
McMurtry, Hon. R.	Eglinton	PC
McNeil, R. K.	Elgin	PC
Miller, Hon. F. S.	Muskoka	PC
Miller, G. I.	Haldimand-Norfolk	L
Newman, B.	Windsor-Walkerville	L
Newman, W.	Durham-York	PC
Nixon, R. F.	Brant-Oxford-Norfolk	L
Norton, Hon. K.	Kingston and the Islands	PC
O'Neil, H.	Quinte	L
Parrott, Hon. H. C.	Oxford	PC
Peterson, D.	London Centre	L
Philip, E.	Etobicoke	NDP
Pope, Hon. A.	Cochrane South	PC
Ramsay, R.	Sault Ste. Marie	PC
Reed, J.	Halton-Burlington	L
Reid, T. P.	Rainy River	L. LAB.
Renwick, J. A.	Riverdale	NDP
Riddell, J.	Huron-Middlesex	L
Rollins, C. T.	Hastings-Peterborough	PC
Rotenberg, D.	Wilson Heights	PC
Rowe, R. D.	Northumberland	PC
Roy, A. J.	Ottawa East	L
Ruston, R. F.	Essex North	L

Member	Constituency	Party
Samis, G.	Cornwall	NDP
Sargent, E.	Grey-Bruce	L
Scrivener, M.	St. David	PC
Smith, G. E.	Simcoe East	PC
Smith, S.	Hamilton West	L
Snow, Hon. J. W.	Oakville	PC
Stephenson, Hon. B. M.	York Mills	PC
Sterling, N. W.	Carleton-Grenville	PC
Stokes, Hon. J. E.	Lake Nipigon	NDP
Stong, A.	York Centre	L
Swart, M.	Welland-Thorold	NDP
Sweeney, J.	Kitchener-Wilmot	L
Taylor, G.	Simcoe Centre	PC
Taylor, J. A.	Prince Edward-Lennox	PC
Timbrell, Hon. D. R.	Don Mills	PC
Turner, J.	Peterborough	PC
Van Horne, R.	London North	L
Villeneuve, O. F.	Stormont-Dundas-Glengarry	PC
Walker, Hon. G.	London South	PC
Warner, D.	Scarborough-Ellesmere	NDP
Watson, A. N.	Chatham-Kent	PC
Welch, Hon. R.	Brock	PC
Wells, Hon. T. L.	Scarborough North	PC
Wildman, B.	Algoma	NDP
Williams, J.	Oriole	PC
Wiseman, Hon. D. J.	Lanark	PC
Worton, H.	Wellington South	L
Yakabuski, P. J.	Renfrew South	PC
Young, F.	Yorkview	NDP
Ziemba, E.	High Park-Swansea	NDP

MEMBERS OF THE EXECUTIVE COUNCIL

Hon. W. G. Davis	Premier and President of the Council
Hon. R. Welch	Minister of Energy and Deputy Premier
Hon. J. A. C. Auld	Minister of Natural Resources
Hon. R. Brunelle	Provincial Secretary for Resources Development
Hon. T. L. Wells	Minister of Intergovernmental Affairs
Hon. L. Bernier	Minister of Northern Affairs
Hon. J. W. Snow	Minister of Transportation and Communications
Hon. M. Birch	Provincial Secretary for Social Development
Hon. C. Bennett	Minister of Housing
Hon. F. S. Miller	Treasurer of Ontario and Minister of Economics
Hon. D. R. Timbrell	Minister of Health
Hon. H. C. Parrott	Minister of the Environment
Hon. B. M. Stephenson	Minister of Education
Hon. R. McMurtry	Attorney General and Solicitor General
Hon. L. C. Henderson	Minister of Agriculture and Food
Hon. K. C. Norton	Minister of Community and Social Services
Hon. F. Drea	Minister of Consumer and Commercial Relations
Hon. L. Grossman	Minister of Industry and Tourism
Hon. G. McCague	Chairman of Management Board of Cabinet and Chairman of Cabinet
Hon. L. Maeck	Minister of Revenue
Hon. R. C. Baetz	Minister of Culture and Recreation
Hon. D. J. Wiseman	Minister of Government Services
Hon. R. Elgie	Minister of Labour
Hon. G. Walker	Provincial Secretary for Justice and Minister of Correctional Services
Hon. M. E. C. Gregory	Minister without Portfolio
Hon. A. Pope	Minister without Portfolio

PARLIAMENTARY ASSISTANTS

Ashe, G. (Durham West)	Assistant to the Minister of Energy
Eaton, R. G. (Middlesex)	Assistant to the Minister of Transportation and Communications
Hodgson, W. (York North)	Assistant to the Minister of Housing
Jones, T. (Mississauga North)	Assistant to the Provincial Secretary for Social Development
Kennedy, R. D. (Mississauga South)	Assistant to the Minister of Education
Lane, J. (Algoma-Manitoulin)	Assistant to the Minister of Northern Affairs
McCaffrey, B. (Armourdale)	Assistant to the Minister of Culture and Recreation
McNeil, R. K. (Elgin)	Assistant to the Minister of Agriculture and Food
Rotenberg, D. (Wilson Heights)	Assistant to the Minister of Intergovernmental Affairs
Smith, G. E. (Simcoe East)	Assistant to the Minister of Industry and Tourism
Sterling, N. W. (Carleton-Grenville)	Assistant to the Attorney General
Turner, J. (Peterborough)	Assistant to the Minister of Health
Yakabuski, P. J. (Renfrew South)	Assistant to the Minister of Natural Resources

STANDING COMMITTEES OF THE LEGISLATURE

Procedural Affairs: Chairman, Breaugh, M. (Oshawa NDP); Vice-Chairman, Davidson, M. (Cambridge NDP); Charlton, B. (Hamilton Mountain NDP), Mancini, R. (Essex South L), Rotenberg, D. (Wilson Heights PC), Rowe, R. D. (Northumberland PC), Ruston, R. (Essex North L), Sterling, N. W. (Carleton-Grenville PC); Clerk, G. White.

General Government: Chairman, McCaffrey, B. (Armourdale PC); Vice-Chairman, Hodgson, W. (York North PC); Ashe, G. (Durham West PC), Charlton, B. (Hamilton Mountain NDP), Dukszta, J. (Parkdale NDP), Epp, H. (Waterloo North L), Handleman, S. B. (Carleton PC), Hennessy, M. (Fort William PC), Laughren, F. (Nickel Belt NDP), Mancini, R. (Essex South L), McEwen, J. E. (Frontenac-Addington L), McGuigan, J. (Kent-Elgin L), Samis, G. (Cornwall NDP), Scrivener, M. (St. David PC), Smith, G. E. (Simcoe East PC), Watson, A. N. (Chatham-Kent PC), Clerk, Mrs. F. Nokes.

Resources Development: Chairman, Villeneuve, O. F. (Stormont-Dundas-Glengarry PC); Bryden, M. (Beaches-Woodbine NDP), di Santo, O. (Downsview NDP), Eaton, R. G. (Middlesex PC), Gigantes, E. (Carleton East NDP), Havrot, E. (Timiskaming PC), Lane, J. (Algoma-Manitoulin PC), McNeil, R. K. (Elgin PC), Miller, G. I. (Haldimand-Norfolk L), Newman, W. (Durham-York PC), Reed, J. (Halton-Burlington L), Riddell, J. K. (Huron-Middlesex L), Taylor, J. A. (Prince Edward-Lennox PC), Van Horne, R. (London North L), Wildman, B. (Algoma NDP), Yakabuski, P. J. (Renfrew South PC); Clerk, A. Richardson.

Administration of Justice: Chairman, Philip, E. (Etobicoke NDP); Vice-Chairman, Renwick, J. A. (Riverdale NDP); Bradley, J. (St. Catharines L), Campbell, M. (St. George L), Cureatz, S. (Durham East PC), Johnson, J. (Wellington-Dufferin-Peel PC), Kerr, G. A. (Burlington South PC), Lupusella, A. (Dovercourt NDP), Rotenberg, D. (Wilson Heights PC), Roy, A. J. (Ottawa East L), Sterling, N. W. (Carleton-Grenville PC), Stong, A. (York Centre L), Swart, M. (Welland-Thorold NDP), Taylor, G. (Simcoe Centre PC), Williams, J. (Oriole PC), Ziemba, E. (High Park-Swansea NDP); Clerk, S. Forsyth.

Social Development: Chairman, Gaunt, M. (Huron-Bruce L); Vice-Chairman, Kerrio, V. (Niagara Falls L); Belanger, J. A. (Prescott and Russell PC), Blundy, P. (Sarnia L), Cooke, D. (Windsor-Riverside NDP), Grande, A. (Oakwood NDP), Johnston, R. F. (Scarborough West NDP), Jones, T. (Mississauga North PC), Kennedy, R. D. (Mississauga South PC), Leluk, N. G. (York West PC), McClellan, R. (Bellwoods NDP), O'Neil, H. (Quinte L), Ramsay, R. H. (Sault Ste. Marie PC), Rowe, R. D. (Northumberland PC), Sweeney, J. (Kitchener-Wilmot L), Turner, J. (Peterborough PC); Clerk, D. Arnott.

Public Accounts: Chairman, Reid, T. P. (Rainy River L); Vice-Chairman, Hall, R. (Lincoln L); Germa, M. C. (Sudbury NDP), Handleman, S. B. (Carleton PC), Leluk, N. G. (York West PC), Mackenzie, R. (Hamilton East NDP), Makarchuk, M. (Brantford NDP), Peterson, D. (London Centre L), Pope, A. (Cochrane South PC), Ramsay, R. H. (Sault Ste. Marie PC), Sargent, E. (Grey-Bruce L), Taylor, G. (Simcoe Centre PC); Clerk, A. Richardson.

Statutory Instruments: Chairman, Williams, J. (Oriole PC); Vice-Chairman, Cureatz, S. (Durham East PC); Davison, M. N. (Hamilton Centre NDP), Eakins, J. (Victoria-Haliburton L), McCaffrey, B. (Armourdale PC), McKessock, R. (Grey L), Rollins, C. T. (Hastings-Peterborough PC), Swart, M. (Welland-Thorold NDP); Clerk, S. Forsyth.

Members' Services: Chairman, Campbell, M. (St. George L); Vice-Chairman, Newman, B. (Windsor-Walkerville); Bounsall, E. J. (Windsor-Sandwich NDP), Jones, T. (Mississauga North PC), Smith, G. E. (Simcoe East PC), Watson, A. N. (Chatham-Kent PC), Worton, H. (Wellington South L), Young, F. (Yorkview NDP); Clerk, D. Arnott.

SELECT COMMITTEES OF THE LEGISLATURE

Hydro affairs: Chairman, MacDonald, D. C. (York South NDP); Ashe, G. (Durham West PC), Belanger, J. A. (Prescott and Russell PC), Conway, S. (Renfrew North L), Cureatz, S. (Durham East PC), Foulds, J. F. (Port Arthur NDP), Gigantes, E. (Carleton East NDP), Haggerty, R. (Erie L), Hennessy, M. (Fort William PC), Leluk, N. C. (York West PC), Mackenzie, R. (Hamilton East NDP), Nixon, R. F. (Brant-Oxford-Norfolk L), Reed, J. (Halton-Burlington L), Williams, J. (Oriole PC); Clerk, A. Richardson.

Company law: Chairman, Breithaupt, J. R. (Kitchener L); Blundy, P. (Sarnia L), Cunningham, E. (Wentworth North L), Germa, M. C. (Sudbury NDP), Handleman, S. B. (Carleton PC), Hodgson, W. (York North PC), Laughren, F. (Nickel Belt NDP), MacBeth, J. P. (Humber PC), Reid, T. P. (Rainy River L), Renwick, J. A. (Riverdale NDP), Rotenberg, D. (Wilson Heights PC), Smith, G. E. Simcoe East PC), Van Horne, R. (London North L), Yakabuski, P. J. (Renfrew South PC); Clerk, Mrs. F. Nokes.

Ombudsman: Chairman, Lawlor, P. D. (Lakeshore NDP); Campbell, M. (St. George L), Eakins, J. (Victoria-Haliburton L), Havrot, E. (Timiskaming PC), Isaacs, C. (Wentworth NDP), Lane, J. (Algoma-Manitoulin PC), McClellan, R. (Bellwoods NDP), Miller, G. I. (Haldimand-Norfolk L), Taylor, J. A. (Prince Edward-Lennox PC), Villeneuve, O. F. (Stormont-Dundas-Glengarry PC); Clerk, A. McFedries.

CONTENTS

Friday, November 2, 1979

Compulsory auto insurance, statement by Mr. Drea 4119

PQ white paper, statement by Mr. Wells 4119

Electronics industry, government purchasing, questions of Mr. Grossman: Mr. S. Smith, Mr. Cassidy 4120

Urban Transportation Development Corporation, question of Mr. Snow: Mr. S. Smith Mr. Renwick, Mr. Cunningham 4122

Point of privilege re length of questions and answers, Mr. di Santo 4124

Gas and oil prices, questions of Mr. Davis: Mr. Cassidy, Mr. Mancini 4124

Health service charges, questions of Mr. Timbrell: Mr. Cassidy 4127

Peel regional police, questions of Mr. McMurtry: Mr. Peterson 4128

Inco emissions, question of Mr. Brunelle: Mr. Laughren 4129

Employment Development Fund grants, questions of Mr. Grossman: Mr. Haggerty, Mr. Eakins 4130

Inner-city education, questions of Miss Stephenson: Mr. R. F. Johnston 4130

Chicken imports, question of Mr. Drea: Mr. McGuigan 4131

Compulsory Automobile Insurance Act, Mr. Drea, first reading 4132

Tabling answers to questions 313, 324, 325, and 328 on notice paper, Mr. Gregory 4132

Estimates, Office of the Lieutenant Governor, Mr. Davis 4132

Estimates, Office of the Premier, Mr. Davis 4136

Adjournment 4154

Erratum 4154

Appendix A, answers to questions on notice paper 4155

Multiculturalism council, question of Mrs. Birch: Mr. Grande 4155

Fee-for-service payments, questions of Mr. Timbrell: Mr. Breaugh 4156

HSO-group practice comparisons, question of Mr. Timbrell: Mr. Breaugh 4156

Funding of hospitals, questions of Mr. Timbrell: Mr. Breaugh 4157

Appendix B, alphabetical list of members of the Legislature, members of the executive council, parliamentary assistants and members of committees 4158

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Blundy, P. (Sarnia L)
Bradley, J. (St. Catharines L)
Breithaupt, J. R. (Kitchener L)
Brunelle, Hon. R.; Provincial Secretary for Resources Development (Cochrane North PC)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davis, Hon. W. G.; Premier (Brampton PC)
di Santo, O. (Downsview NDP)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J. (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Epp, H. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Gigantes, E. (Carleton East NDP)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
MacBeth, J. P.; Deputy Chairman (Humber PC)
MacDonald, D. C. (York South NDP)
Mackenzie, R. (Hamilton East NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Miller, G. I. (Haldimand-Norfolk L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Peterson, D. (London Centre L)
Philip, E. (Etobicoke NDP)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Rotenberg, D. (Wilson Heights PC)
Ruston, R. F.; Acting Chairman (Essex North L)
Smith, G. E. (Simcoe East PC)
Smith, S.; Leader of the Opposition (Hamilton West L)
Snow, Hon. J. W.; Minister of Transportation and Communications (Oakville PC)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Worton, H. (Wellington South L)



No. 100

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Monday, November 5, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

MONDAY, NOVEMBER 5, 1979

The House met at 2 p.m.

Prayers.

STATEMENT BY THE MINISTRY

PQ WHITE PAPER

Hon. Mr. Davis: Mr. Speaker, I would like to share with all members of the House and the people of our province the initial reactions of the government of Ontario to the white paper published by the government of Quebec proposing "a new partnership between equals: sovereignty-association."

The Minister of Intergovernmental Affairs (Mr. Wells) will have a more detailed response later on this week related to some of the specifics raised in that paper.

Let me say at the outset this government sees the referendum in Quebec as part of a process which has been going on in this country, in one way or another, since two great empires, those of Great Britain and France, positioned themselves in North America several centuries ago.

Throughout the years, the issues have not always been the same, but the central concerns have largely been the same—the preservation of a unique national community across the northern half of this continent, a community with basic values of nationhood and particular cultural sensitivities responsive to the kind of people we are. That process has not been one without significant setback or frustration.

Where the Quebec white paper errs in its fundamental analysis of our history is in its failure to record the legitimate and significant steps forward which have significantly enhanced the quality of life and the real economic and social opportunity of the people of Quebec, the people of this province and the other regions and provinces of Canada.

It is, to be frank, a limited and short-sighted response to the continuing challenge of cultural development which places isolation and internalization above all other objectives. The survival of French-speaking Canada is inexorably tied to the survival of a larger political unit in which the two central cultural realities are English and French speaking, and in which their preservation is a main pillar of nationhood.

Sovereignty-association is put forward as a new departure for Quebec. It is anything but. It really is the oldest departure, the most facile response. It is what some might call the ultimate "cop-out"—a self-imposed ghetto mentality, surely beneath the dignity of the French-Canadian people. It is a program which would limit the opportunities for French-Canadian culture and civilization. It is, and I view this as particularly sad, an admission of defeat by one government at a time when the opportunities for French-Canadian survival and for the broadening and deepening of French-Canadian civilization have, in my view, never been better throughout many parts of this country.

The centralization of legislative and fiscal power in the National Assembly of Quebec and the establishment of separate Quebec citizenship would appropriate to Quebec a status which would imply a massive withdrawal from the Canadian reality, a withdrawal which would seriously prejudice the economic, social and political rights of every man, woman and child in Quebec to the tremendous opportunity which the future holds for all Canadians and for which Quebeckers have made as great an investment in personal terms as all other Canadians.

The game, Mr. Speaker, of moving fiscal policy and legislative policy to one place with monetary policy remaining in another is a particularly deceptive proposition because it appears to imply more real independence in one sense while obscuring potential foreign domination in economic terms.

We can all see, Mr. Speaker, how critical monetary policy is to our day-to-day well-being. The monetary linkage envisioned by the white paper would make Quebeckers not "masters in their own house" or "maître chez nous," but in economic terms Quebeckers would be second-class citizens in their own house with no real clout in real terms on the macro-economic issues that would determine their future in the Parliament of Canada, which cannot, in any respect, share or dilute its jurisdiction in monetary matters.

The white paper says: "Though federalism is not necessarily synonymous with poverty and political domination, neither is it a

guarantee of freedom or a high standard of living."

Though sovereignty-association is not necessarily synonymous with poverty and political domination, neither will it guarantee freedom for a high standard of living. I would argue that it would seriously disadvantage Quebeckers, economically and politically, without even marginally contributing to greater cultural security. Indeed, assuming a Quebec without broad economic or political protection under the Canadian national umbrella, the influence of our southern neighbours would likely exert profound cultural pressures on French-Canadian civilization and their cultural opportunity.

The government of Ontario very simply continues, of course, to oppose sovereignty-association. Our absolute commitment, that we would not negotiate with Quebec in this context, remains complete and undiminished.

What is more important perhaps at this point is what we are prepared to do. Our Minister of Intergovernmental Affairs is prepared to pursue any and all discussions—discussions aimed at broadening and making more sensitive our constitution to achieve a new national sovereignty for all of Canada. Our position is based on a supple and humane nationhood, one in which all Quebeckers can pursue, along with Canadians everywhere, personal culture, economic and political development.

To the people of Quebec, all Ontarians can speak with one voice, a voice which is not limited by partisan or linguistic division. Our message need be honest, it need be frank and direct. We must affirm to Quebeckers our belief that the proposals of the white paper, the "oui" position in the referendum campaign, constitute the greatest possible threat to their ultimate freedom, their opportunity and wellbeing. We must assert that sovereignty-association constitutes the closing of doors, the limiting of hopes and the diminishing of their future.

Sovereignty-association and a referendum vote by Quebeckers endorsing a negotiated path to whatever precarious political status it suggests, would mean a closed door on the future for every Quebecker. It would be the ultimate denial of the inner strength, the cultural depth and vigour of a civilization that has withstood many threats to its ultimate survival through strength of character and conviction.

We will not be part of this denial of the future, this constraint upon potential for French Canada. We will be part of working with Quebeckers to change Confederation, to enhance its uniqueness as an adaptable political framework through which every legitimate social, cultural and economic goal is attainable for all Canadians. Previous federal rigidities serve today only to point to the real opportunity which now exists.

Soon there will probably be other proposals the Quebeckers will be asked to consider in the present debate. The government and the people of our province await those proposals with interest and with hope—interest because we expect there will be new federalist options formally put on the table; hope, because we are all looking for a way to ensure the continued partnership of the people of all provinces in the common cause of a new national definition for the nation we share with eight of our sister provinces.

Ontario will not sit quietly while others advance suppositions about where we stand on various proposals. Our position on the fundamental one to date, on sovereignty-association, is abundantly clear. Our position on other options as they emerge will be equally clear. Quebeckers have the right to know, as they assess their choices, where Ontario stands. Ontarians have the right to be assured that Quebeckers will labour under no false illusions about what is politically and realistically possible from Ontario's point of view.

The next seven months must see no vacuums develop in the cause for Canada. While the law governing the referendum limits specific campaigning activities to registered participants, those of us who care deeply must not allow geography or reticence to make our commitment remote from the people of Quebec.

[2:15]

I will speak for Canada in the strongest and most direct terms that I can. I urge all Ontarians to make the same commitment in their own hearts and in their own way. I'm hopeful that the federal government in its own way, albeit different from its predecessor, will make the same commitment.

While I speak always as an optimist—as a matter of conviction and, some will say, of temperament—one cannot assess the white paper without a sense of how fragile this nation of ours can be, if we are not prepared to ensure the strength and the determination her survival demands.

We have something very special here in Canada. Canada, with all of our difficulties, is a nation with the privilege of fighting over wealth rather than fighting over poverty and of debating regional interests rather than deep socio-economic divisions of class. For our young people, that relative prosperity and

the freedom which comes with it secures unlimited opportunity.

There may be a government in Quebec today committed to throwing away that opportunity for its own people and for the rest of us. We are not. We are certain that the people of Quebec are not. This nation, very simply, shall prevail.

ORAL QUESTIONS

PQ WHITE PAPER

Mr. S. Smith: Mr. Speaker, I rise to address a question to the Premier, but I want to preface it by saying that we can endorse this statement in the strongest terms. I'm very pleased to associate myself with the sentiments expressed by the Premier on behalf of Ontario.

Since the Premier recognizes that it is necessary for Ontario to speak with one voice, once the proposals of Mr. Ryan and the forces supporting a "non" in the referendum are made known, would the Premier then feel, as I do, that it would be a good thing to have a discussion and a debate in the assembly of Ontario on both these proposals —the so-called sovereignty-association and the proposals to come forward from the forces in favour of federalism? Would he agree with the suggestion made by the member for Riverdale (Mr. Renwick) at an earlier date that we might have a committee before which could appear various experts to assist us in defining what the technicalities in the various proposals might mean for Ontario?

Mr. Ryan's proposal, of course, is not yet before us, although we have seen the white paper. Would these ideas meet with the Premier's approval, as I think they would give an opportunity for the House to give a clear and united message at this very important time?

Hon. Mr. Davis: It has been the intent of the government, as I am sure the members will recall, to have—I like the word "discussions," quite honestly, on this issue rather than a debate—it was our thought, quite frankly, to have had this discussion prior to this time, but that was predicated upon the feeling, I guess, because there was nothing definitive from the government of Quebec, that the referendum might have been held this past June or even perhaps at this time.

My view was then, and still is, that the discussion in this House related to this should not be two or three weeks before the referendum but should be closer to the date of the referendum, not only to give us an opportunity to assess where things stand at that moment but, I would hope, to have some greater impact somewhat closer to the date of the vote itself.

I can't give a commitment in terms of a select committee at this moment, but certainly from my perspective I would hope that we could develop in discussion in this House some real degree of unanimity with respect to our feelings on this issue and that we could discuss this—my guess is—early in the spring, if June is roughly to be the date of the referendum, and perhaps take into account the proposals that may be emanating from the federalist group in the province of Quebec.

I would want to reserve to myself for further discussion the concept of having select committee hearings, et cetera. Certainly the opportunity for a discussion, for an expression of the will of this Legislature on something as fundamental as this to the future of Canada, is something we would like to see. But I ask the understanding of the members opposite. I really think there is merit in doing this somewhat closer to the date of the referendum than, say, this week or next.

Mr. S. Smith: By way of supplementary, and accepting that there is a certain degree of merit in what the Premier suggests in terms of impact, would the Premier not agree the proposals that are likely to come forward from Mr. Ryan's group in Quebec will probably contain some suggestions, perhaps with regard to social welfare or economic matters? We don't know yet, but presumably they will be somewhat technical.

Would the Premier not agree that all of us in the House, particularly the opposition parties who do not have access to the civil service in this regard, would be better able to judge, comment and to unite upon various principles that may be put forward by Mr. Ryan if we have some opportunity to understand the technicalities by a thorough discussion of the kind which can occur in a committee, and which is unlikely to occur just catch-as-catch-can in the corridors and in one's office and so on?

Would he consider that possibility and, therefore, that the committee might sit before the actual debate or discussion—as the Premier prefers, and I do too—which he suggests might have a larger impact at another time?

Hon. Mr. Davis: The first point I would like to make is I have no indication as to when, as I assume, there will be proposals from Mr. Ryan or the federalists in Quebec.

My concern with respect to the select committee route is that not only the government but all of us would want an understanding of some of the financial, or potential financial

implications, and so on. My experience has led me to believe, though, that this really helps a limited number of members. What I would like to do is to give some thought to finding a way for all of us to become more informed with respect to some of the practical implications of what may emerge.

While it is only a suggestion, we might find some avenue right here in this House—and we haven't done this before—perhaps having some technical people available and setting aside special times for a more detailed evaluation, rather than just having a discussion on the general principles.

I am not precluding the other suggestion that came from the member for Riverdale, because I know it was well intentioned. My problem is that I can't get to all select committees; I don't get to any. I guess I am not really welcome to go to any. But I sense it gets down, really, to eight or 10 members who become quite knowledgeable. Then the rest of us sort of second-guess, agree or disagree with what is being suggested.

I would like to think on something like this, and I haven't thought it through carefully, we might find a vehicle where all of the members could participate and become more knowledgeable, if in fact there is a fair amount of technical or financial information that would be important to us.

Mr. Cassidy: Mr. Speaker, I would just like to begin by stating that the Quebec government's white paper has made even clearer what we understood previously, which is that the sovereignty-association being proposed by Quebec is, in fact, a form of independence and is not acceptable to this party or to the vast majority, I believe, of the citizens of Ontario.

I would like to ask the Premier, however—bearing in mind that had we had the debate on the question of sovereignty-association in the spring, as the government originally intended, the committee this House would have then set up would have reported back to the House on November 1, the same date as the Quebec white paper—can he explain why he feels it should be he himself who makes the decision as to what kind of scrutiny of these very important constitutional questions should be undertaken by the House? In view of the fact the select committee route has never previously been found to have the shortcomings the Premier now finds in it, why is he not prepared to leave it up to the judgement of members of the Legislature whether or not a select committee could look at these matters with a view to reporting back to the Legislature, or perhaps some possible further larger study at the beginning of March, when we resume after the winter break?

Hon. Mr. Davis: Mr. Speaker, I think if the leader of the New Democratic Party assessed it—if, in fact, there had been a select committee dealing with sovereignty-association—my expectation would be, I would hope, the select committee would have come back with a very simple statement that would have represented what has been said on that particular issue.

I think what may be emerging over the next few weeks or months is the viable alternatives in terms of this province and of our sister provinces. The basic alternative from my standpoint has always been a restructured—whatever terminology you may wish to use—constitution. I guess at this point I would say a select committee might not do this the most effectively, or perhaps it would be premature, because while we could prepare a paper saying, "Here are some things we would like to see considered," the committee would be operating in something of a vacuum.

Obviously, there aren't going to be any alternatives from the government of Quebec with respect to constitutional change. For the time being, at least, they have rejected that and we really haven't had forthcoming from Quebec the possible alternatives, as they see them, from the federalist standpoint.

I'm not rejecting the concept of a select committee. Really, I am looking for a way where there will be a real measure of understanding by all members of the House at the appropriate time. I can't honestly say to the leader of the New Democratic Party when that particular time has arrived. I don't know, because we don't know when these proposals may be forthcoming.

Mr. Cassidy: Supplementary—

Mr. Speaker: We've spent 11 minutes on the first question. The questions themselves were rather long and the answers were even longer. It was a very important exchange, but I don't think it will profit us to regurgitate what has been said.

GAS AND OIL SUPPLIES

Mr. S. Smith: I have a question to the Minister of Energy. Could the minister give us his latest view with regard to the possibility of heating oil shortages this winter, in as much as the minister said on October 30 the principal source of his information is the National Energy Board, and the National Energy Board last week expressed a certain concern over this winter's fuel oil supply? Has the minister any more recent informa-

tion? Has he received the latest statement from the energy board? Can he tell this House, so we can tell our constituents, what he perceives to be the present situation?

Hon. Mr. Welch: Mr. Speaker, certainly, I have seen nothing, nor have I received any indication from any other source, that would change the assessment which I shared with the House earlier. Indeed, if one were to go through the press release issued by the National Energy Board following meetings in Ottawa late last week, they have agreed that although the situation for this upcoming season is tight, it's manageable.

Mr. S. Smith: Supplementary: Needless to say, Mr. Speaker, we all hope it will be manageable, but may I ask the minister what contingency plans he has in the event there is a shortage? What discussions has he had with the federal authorities on the matter? Is he urging the federal government to proclaim the energy supplies emergency act, Bill C-42, which would give them emergency power to allocate oil within Canada under certain circumstances?

What is the latest state of his negotiations with the federal government and what contingency plans does he have so that if we're hit by a shortage, we don't just suddenly get into a mad scramble but we know exactly what we're doing?

Hon. Mr. Welch: Mr. Speaker, I think it's very important in responding to a question like this that one has to rely on the information one is getting from responsible sources. Indeed, we had our people in Ottawa last week discussing this matter, and we don't want to be contributing to the problem by speculating with respect to events which, at the moment, there is reason to believe will not in fact occur.

As the Leader of the Opposition knows, there is federal legislation in place. I have written to the federal minister suggesting the technical advisory committee, which is a very important advisory committee to the National Energy Board, representing the industry, be consulted with respect to this matter as well.

[2:30]

The figures we're getting from the National Energy Board are countrywide, and don't have all the regional emphasis that perhaps they require. Certainly, on the information I have, I'm satisfied we in Ontario, in this part of the region, are going to have a situation which will be, under usual circumstances, manageable for this coming season.

The Leader of the Opposition is going to ask, "What if some unusual circumstance develops, be it an international event, or be it a mechanical breakdown in the system?" That would require the implementation of the provisions of the federal emergencies allocation legislation. Our ministry people have been consulted from time to time with respect to that. Indeed, we had meetings a week or so ago with our municipalities sharing the outcome of those discussions. I have no reason to believe but that the federal minister, and his officials, would be able to respond to that situation if we should be faced with a shortage or, indeed, the need for some redistribution of supplies.

Mr. Cassidy: Supplementary: Mr. Speaker, I think the minister is telling us he is still not concerned, despite the unprecedented step by the National Energy Board in making a formal statement to indicate there will be, or may well be, problems with the oil supply situation during the winter. Given some heating oil suppliers are refusing to tender new business, does the government have any plans to guarantee supplies to institutions such as hospitals or school boards, short of the federal government invoking its energy supplies allocation act?

Hon. Mr. Welch: Mr. Speaker, I think it's very important. I don't know whether the honourable member, in all fairness, has seen a copy of the press release from the National Energy Board. If he has not, I'll be glad to send him one over. It then becomes a matter of interpretation, depending on what he might want to emphasize. I've gone over this matter and, in balance, there is nothing in the release; there is nothing as a result of the meetings that would lead me to change my opinion with respect to the assessment I've shared with the House.

The honourable member makes some reference to the bulk tendering for wholesale supplies. There is no question that the situation this year is different from a year ago with respect to matters such as discounts and the number of new customers which some oil companies were prepared to take on. They're not looking for new customers this year. This doesn't mean they're not going to be able, under usual circumstances, to service those customers they now have.

Mr. J. Reed: Mr. Speaker, I wonder if the minister could tell us what role his ministry plays in the playing out of this contingency? What action is his ministry now taking to offset, as much as possible, such an event occurring? Is his ministry, at last, becoming active in the areas of conservation and those necessary acts that have to take place in order eventually to get to the point of petroleum self-sufficiency in Canada?

Hon. Mr. Welch: Mr. Speaker, the honourable member does contribute very positively to this exchange this afternoon when he places emphasis on the long-term programs such as conservation and alternate energy supplies. Indeed, I'll make a copy of the statement available to him, too, if he hasn't seen it.

There is emphasis in the press release of the National Energy Board for the need to manage the resources we have cautiously, in order to ensure there are no unusual circumstances here.

Mr. Wildman: It's nice to be well briefed. What about the north shore?

Hon. Mr. Welch: In so far as our ministry is concerned, there is full discussion going on. Our ministry officials have been involved in consultation with the federal officials in working out some details with respect to the federal legislation.

Mr. Wildman: Is it hard to get the press release?

Mr. Speaker: A final supplementary, the honourable member for Algoma.

Mr. Wildman: Could the minister now report to us on the specific problem which my leader raised initially, and which brought this matter before the House, and that is the refusal to tender along the north shore? The minister, I believe, indicated he was going to try to get specific information on that area and report to the House. Can he do so now?

Hon. Mr. Welch: Mr. Speaker, there must be some lack of communication. This matter was first raised by the honourable member himself, and on checking, in fact, we called the school board that afternoon. They indicated to us they were having no trouble in getting their supplies. They had signed their contract and, in fact, had their requirements for the upcoming season established by contract.

WATER POLLUTION

Mr. Cassidy: I have a question for the Minister of Health with reference to a report on the impact of past mining activities on the Moira River basin in Hastings county which has been prepared by the National Water Research Institute in Burlington.

In view of the fact that the people in Hastings county living downstream from the Deloro minesite near Madoc may have been exposed for decades to potentially hazardous concentrations of arsenic, could the minister say what long-term health studies have been carried out on residents in the area and what steps have been taken to warn them of the risk that they may be experiencing?

Hon. Mr. Timbrell: That particular study has not been drawn to my attention. I will look into it and report back to the member. I will take the question as notice.

Mr. Cassidy: Supplementary: Can the minister explain why, in fact, there has been no action taken by his ministry to safeguard the health of people in this area since the problem of arsenic contamination has been known to the government for at least a decade? Since ministry tests of the Moira River in the mid-1970s showed levels of arsenic contamination up to 50 times the settled standard for drinking water, and since two years ago the Minister of the Environment slapped a tough control order on the Deloro mines, why has the Ministry of Health neither been informed of the problem nor taken action to safeguard the health of residents in the area?

Mr. MacDonald: Morty Shulman raised this years ago.

Hon. Mr. Timbrell: As I said, I will take the question as notice. It may well be that certain actions have been taken at the local level or by other ministries, for that matter, that are involved with health matters, but I will take the question as notice and report back.

LABOUR RELATIONS

Mr. Cassidy: I have a new question for the Premier.

In view of the discussions that the Premier had with representatives from the Ontario Federation of Labour last week, in particular, with reference to the need for laws to guarantee union security and laws to give workers the right to a first contract through first contract arbitration, and in view of the particularly acute problems at plants such as Radio Shack, Butcher Engineering, Blue Cross, Canadian Gypsum Co. Ltd. in Hagersville, and elsewhere across the province because of a lack of these essential changes in the law, is the government now prepared to undertake to bring these reforms into Ontario's Labour Relations Act in order to create the climate of labour management harmony to which the government is formally committed?

Hon. Mr. Davis: I will tell the leader of the New Democratic Party what I said to representatives from the Ontario Federation of Labour who presented this brief to us last week. I think we discussed it for an hour and a half to two hours. It was fairly detailed and really dealt with two or three basic points which have been mentioned by the leader of the New Democratic Party. I made it quite clear to the members of the delegation that

we shared a concern about these particular situations.

Mr. McClellan: The omnibus concern bill, again.

Hon. Mr. Davis: You see, Mr. Speaker, I'm being provoked again.

Mr. Martel: Ignore the interjections.

Mr. Speaker: I'm trying to ignore him, so maybe the Premier can, too.

Hon. Mr. Davis: Are you trying to ignore him? I'd love to ignore him.

I said to them that we shared the concern. We were interested in getting their analysis of why the problems were being created. I said to them very simply that as a government we would assess their recommendations about them and beyond that, I gave no commitment.

Mr. Martel: See if you can get an opportunity to look at it.

Mr. Cassidy: Supplementary: Is the Premier not aware that the concern expressed by himself, by the Minister of Labour (Mr. Elgie) or by any other member of the government, is of no concrete help at all to the women and men on the Radio Shack picket line and to their brothers and sisters on other picket lines across the province who are seeking first contracts or who are seeking a guarantee of union security so that their anti-union management cannot simply bust the union in the first year or so of the contract?

If the Premier is aware that that concern doesn't really work, then can we not have a commitment from the government to bring in legislation and have it adopted before Christmas to get those people back to work with a decent contract and the right to have a union, rather than have them forced to knuckle under by anti-union management with the support of the government of Ontario?

Hon. Mr. Davis: I agree with the leader of the New Democratic Party, which is unusual, that concern does not always solve specific problems. I take that without any debate. I am not in a position to give a commitment to the second part of his two-part question.

SUICIDE AT GUELPH JAIL

Mr. Worton: I have a question of the Minister of Correctional Services. Recently there was an inquest into the hanging of an inmate at the Guelph provincial jail. The jury made certain recommendations as to what measures should be taken to protect against another such incident happening.

I notice in the report that one of the officials of the ministry indicated the ministry was negotiating with the federal ministry in regard to reducing the time limit of 30 days in what I suspect would be admittance to the federal penitentiary. Would the minister have any comment on that particular report?

Hon. Mr. Walker: Yes. We were very disturbed by the fact there was a suicide in the Guelph jail, not to be confused with the Guelph correctional centre. An individual by the name of Anderson had been sentenced to 15 years in a federal prison for attempted murder. While awaiting transfer after the trial and after conviction to a federal prison, he committed suicide.

Many people realized beforehand that this person was a suicide risk and, indeed, he was under awfully heavy review and supervision by guards within the jail. As the psychiatrist and the psychologist and everyone there indicated, it was absolutely impossible to prevent this individual from suicide. He was bent on it and it was just going to happen. He had tried three times prior to the charges under the Criminal Code of Canada involving his wife.

I would say with respect to the general suicide rate within jails it is far less than what it is within the general population at large. In fact, last year we had two suicides and a further two suicides this year, and that is far less than in the general public.

The 30-day provision is something which is very difficult to work with. We are required to maintain an inmate following a sentence for 30 days, which is the appeal period. We are attempting to negotiate a reduction in that time with the federal government so that an inmate can be dispatched as quickly as possible to the final prison where he might then receive proper treatment. This was a very unfortunate incident.

Mr. Worton: Naturally the number of suicides in jail is less than the number outside, because there are far fewer people in jail than are outside of jail. A ministry employee has indicated here that the minister is negotiating with the federal people. Is that not so?

Hon. Mr. Walker: Yes. As I indicated, we are attempting to have that 30-day mandatory waiting period reduced as much as possible so that inmates can be moved as quickly as possible after the trial to the final receiving prison.

HOSPITAL BED ALLOCATIONS

Mr. Cooke: I have a question for the Minister of Health. In view of the fact Windsor Metropolitan Hospital has been unable to

close 25 beds the ministry no longer funds, and in view of the fact the hospital put an appeal for $500,000 to the minister on September 27 to fund those beds, as well as $200,000 for the obstetrical ward, is the minister prepared, because it has adequately demonstrated to him the need for this money, to announce today that he will be funding the Metropolitan Hospital with this extra $700,000?

Hon. Mr. Timbrell: No, Mr. Speaker.

[2:45]

Mr. Cooke: Supplementary: Will the minister make a commitment that he will close no more beds in Metropolitan Hospital or in Windsor, period, until alternatives are put in place, as recommended by the social development committee? The alternatives I am referring to are chronic home care, adequate numbers of nursing-home beds and adequate rest-home beds that are supervised and regulated by this minister.

Hon. Mr. Timbrell: As the honourable member knows, the Ministry of Health has no role nor should it have a role in the question of rest homes involving anyone who is not under care.

Secondly, with regard to Windsor and Essex county, the rationalization of services—

Mr. Cooke: Yes, you just close beds. It should be called irrationalization.

Hon. Mr. Timbrell: —in that area, involving four of the five hospitals in the county, is going extremely well, with the closing of obstetrics at Grace Hospital, the closing of paediatrics at Hotel Dieu, the movement of services between those two hospitals, the ordering for installation in less than a year now of a CAT scanner for Hotel Dieu and the beginnings of a development of a perinatal unit at Grace, as well as the opening of chronic beds at Grace, Hotel Dieu and at the hospital in Leamington, which is also putting in air conditioning and a fair bit of renovation.

The health council in Essex county is engaged in a review of its long-term needs, including chronic beds and extended care. I would anticipate having a report from them sometime in the next few months.

Mr. Cooke: What's going to happen this winter?

Hon. Mr. Timbrell: Depending upon the results of the study, once we agree on what is needed, then we will have to agree also on how it is to be done.

I would point out that with the rationalization of services that has been effected in Essex county there has been a very marginal reduction in the total number of beds. There is, in fact, a much better use of the facilities which are there and of the considerable amount of money which is spent every year in operating the hospitals in that county.

Mr. Mancini: Supplementary: Why does the Minister of Health persist in his hard-line attitude concerning the 25 beds at Metropolitan Hospital, when he knows darn well that they have made proper representation to him and that they are incapable of reducing beds any further? Why doesn't he provide the money and stop playing games with them?

Hon. Mr. Timbrell: I can assure the honourable member that for my part as minister the easiest thing would be to tap the taxpayer for some more money.

Mr. Swart: The most humane thing, the most sensible thing.

Hon. Mr. Timbrell: The more difficult thing, but the thing that needs to be done—in that community, as in most communities, is to effect co-ordinated planning and co-ordination of existing services. For its own reason, that hospital has repeatedly resisted working with the other hospitals in the county. It's not a question of trying to penalize the Metropolitan because I would remind the member that the very day I announced the rationalization agreement, I also announced additional funding for Metropolitan Hospital in excess of $500,000 a year for an expanded cancer clinic. It is not a case of penalizing them, but it is the case that they are going to have to work with the other hospitals in the county. They cannot and they will not plan in isolation from the others in Essex county.

Mr. Cooke: What about chronic home care?

ARENA OPERATING COSTS

Mr. McKessock: I have a question for the Minister of Culture and Recreation. In view of the fact that Ontario has been asked to pick up the proposed deficit of $250,000 a year for the proposed new $72-million convention centre in Toronto, would the minister at the same time consider picking up the yearly deficit that has been emerging from the many new arenas throughout rural Ontario?

Hon. Mr. Baetz: I think the first part of that question should be directed to the Minister of Industry and Tourism (Mr. Grossman). But I would like to assure the House that in so far as the provincial government's picking up any operating deficits of any arenas that have been built largely through Wintario funds in the course of the last four or five years, the answer is a definite no.

Every single municipality and every voluntary agency that have applied for Wintario funding for capital support to build their facilities have been warned and have been told time and time again, both orally and in writing, that we will not take responsibility for meeting any operating deficits that might occur. That is very clearly understood throughout Ontario.

I want to reiterate that policy here today. I think it is a wise one, and that is why we are once again taking a look at the need for more arena facilities throughout the province. We are prepared to help only when there is a real need indicated, and also when they can convince everybody that they can support the operations of their arena.

Mr. McKessock: Supplementary: In view of the fact arena recreation boards, in order to meet these expenses, have to increase fees to the children who play hockey and figure skate, wouldn't the minister consider paying a portion of each child's fee to allow the rate charged to a child to remain about the same so these facilities will be available to everyone regardless of income?

Hon. Mr. Baetz: Mr. Speaker, I don't think so. We have not considered that as a possibility. That certainly would be an indirect form of subsidization of the operating deficits and for the reasons just mentioned, I don't think we should feel our ministry, my ministry, should be responsible for that. Again, I think we have an elected body at the municipal level that should be looking at these things and working out ways and means to meet these ongoing costs and try to make costs for the users of the arenas reasonable and equitable.

Mr. Martel: Supplementary: Isn't there a report being prepared by the Ministry of Culture and Recreation with respect to the cost of electrification of these facilities, which in fact, is the single biggest cost factor facing these small municipalities across Ontario? When can we expect that report to be tabled and if it's prepared, does the minister have any plans to assist the arenas to meet those hydro costs?

Hon. Mr. Baetz: Again, Mr. Speaker, it is quite correct that the Ministry of Culture and Recreation, in co-operation with the Ministry of Energy, did develop this kind of a report and, as the member opposite has quite correctly pointed out, the energy costs are the very high item in the operational costs. In this particular report, and I have seen the draft form of it, there are suggestions whereby arenas can cut back on their costs. I would imagine both the Ministry of Energy and our ministry certainly are going to be spending a good deal of time with arenas across the province, trying to help them to cut back on those very high energy costs, which are continuing to escalate.

HEALTH TRAVEL COSTS

Mr. Wildman: I have a question for the Minister of Health with regard to the need for universal access to health care in the province. Why won't OHIP pay the return fare to northern Ontario, as well as the fare from northern hospitals to Toronto hospitals, for acutely-ill patients once they have recovered sufficiently to return to their home? Also, why won't OHIP pay the travel costs to and from Toronto for follow-up checkups with specialists here in Toronto?

Hon. Mr. Timbrell: A short answer, Mr. Speaker: It very simply is we are limited. This is a question about which I have corresponded, I know, with the member for Sudbury East and others on a number of occasions. We are limited under our legislation to paying for medically necessary services, and the movement of patients, once they are recovered or for follow-up, is not, in fact, medically necessary.

It is something we are following, and as a matter of fact I will be discussing it with representatives of the health councils tomorrow.

I would say in the long run, the more we can attract specialists to settle in northern centres that—

Mr. Martel: We would love that.

Hon. Mr. Timbrell: Well, I think this is important. As the member knows, I wrote to the health councils in the north about three months ago, asking each of the five to do an analysis of their specialist requirements because I am prepared to use the under-serviced area program financial incentives in a creative way to attract needed specialists to various parts of the north. In the long run I think that is a more effective answer than looking at subsidizing bus or plane fares or gasoline or whatever.

But as I say, the short answer unfortunately is we are limited by law to paying for medically necessary services.

Mr. Wildman: Supplementary: While I certainly sympathize with the minister's desire to attract more specialists to the north, in the interim wouldn't the minister agree that families in the north, where there is now a shortage of medical specialists—like the family of the teen-ager Leslie Voznek, in Timmins, who suffers from systematic lupus

erythematosus or SLE for which he was hospitalized in Toronto from April to August and continues to have to travel to Toronto every four to six weeks for tests—are financially penalized by this OHIP policy? It has cost that family over $2,500 so far.

Hon. Mr. Timbrell: With respect, I would suggest that could happen to a family living in Verona, in southern Ontario. If the member doesn't know where Verona is, it is north of Kingston.

Mr. Wildman: You wouldn't have to fly back, though.

Hon. Mr. Timbrell: But there is a considerable expense, of course, involved in driving and the like. My colleague, the Minister of Education (Miss Stephenson), points out that there are facilities available in Sudbury that could probably do that.

An hon. member: Why don't you let Dennis answer the question?

Mr. Conway: Is she the real minister?

Hon. Mr. Timbrell: I think that is the point. We are not in a position to pay for services that are not medically necessary; it is as simple as that.

Looking to the longer term—whether it is in the north or any part of the province—the aim is to get a good distribution of the various specialties so that people don't have to travel any more than is necessary. It will always be necessary for some very rare and very exotic ailments and diseases.

Mr. T. P. Reid: Supplementary: Did I understand the minister to say that the reason it wasn't being paid for now was because of the legislation in Ontario setting up OHIP? If that is the case, why don't we change it so that some of these people who have these onerous costs should be able to recover them and make the system universal?

Hon. Mr. Timbrell: I think I answered that. I think you get into a situation then that you really would not be able to properly make the judgements, Mr. Speaker.

Mr. Wildman: Isn't it medically necessary to get home again?

Hon. Mr. Timbrell: A medical necessity is very simple to judge. The doctor decides you have got to get there in the ambulance. We do try, and we are trying, to make better use of our air ambulance service, to co-ordinate the use of the ambulances, so if we have a plane or planes coming in with people and we know we have people to go back, we do try to use them in that way from time to time.

Mr. Wildman: Surely it is medically necessary to go home again.

ODC LOAN RATES

Mr. Mancini: I have a question of the Ministry of Industry and Tourism. Recently, we have been given some information from the Ontario Development Corporation concerning the loans it has been providing. I would like to ask the Minister of Industry and Tourism, does he not consider it odd that some of the companies that had received loans had received these loans at no interest rate, and it was stated that they would not provide any new jobs within the five-year period?

What criteria is the minister using to give out these loans with absolutely no interest rate and which would provide no jobs at the end of five years?

Hon. Mr. Grossman: Since I can't conceive of a single ODC loan which is at no interest, as the member has described it, I really can't answer the question. Perhaps he will send over some specific instances, and I will see what I can do for him.

Mr. Eakins: Supplementary: Is the minister saying that in the ODC book which has recently come out there are no loans at no interest to firms which are not going to produce any new employment? It seems to me that I have noticed some in the book.

Hon. Mr. Grossman: Again, I don't know which specific instances the member would be talking about where we have a loan at no interest.

Mr. Eakins: An Ontario Business Incentive Program loan.

Hon. Mr. Grossman: Oh, an OBIP loan. That is a different story.

The incentive loans, of course, have a waiver of interest for the first five years, so there is no payment of interest for the first five years which allows that firm in most instances to get a foothold in the market.

I should remind the members that the ODC decisions are to this point in time made entirely by the boards of ODC upon the recommendation—not always accepted—of the ODC staff.

Second, I should point out that the ODC maximums were reduced this year to $250,000, so that we would have more of a selective role to play in the larger loans and grants.

Third, I should point out that in very many instances incentive loans are given and other loans are given to maintain jobs that otherwise would have disappeared. I acknowledge that that doesn't look as politically attractive as a situation where a loan is given and jobs are added, but in many instances it prevents

a situation in which I stand up here explaining why a firm has gone out of business.

[3:00]

I might add that our loss ratio on the Ontario Business Incentives Program is quite healthy; in other words we're not experiencing very many losses. The loss ratio is very low and it seems to have been a very successful program.

If the opposition members have any comments on the OBIP program I'd be pleased to receive them, perhaps when our estimates have started next week.

ONTARIO HOME RENEWAL PROGRAM

Mr. Dukszta: A question to the Minister of Housing on the subject of Ontario Home Renewal Program and the minister's recent decision to reduce the city of Toronto entitlement by 75 per cent, to $321,224. Can he tell me: (1) why they've reduced the money so suddenly and capriciously; (2) is he aware that this will affect very seriously the existing old-housing stock in Toronto; and (3) is he also aware that a number of jobs will be lost?

Hon. Mr. Bennett: Mr. Speaker, I'm well aware of the program and would inform this House the conditions and procedures have not altered one iota from last year.

We have tried to deal with every municipality requesting a grant through the Ontario Home Renewal Program on an equitable basis. The city of Toronto and the other communities in this region—indeed, the smallest communities in the province—have been handled on this similar basis.

The city of Toronto got a percentage of what they might qualify for. They were told very clearly and distinctly that 100 per cent of their request was not being granted, any more to them than to the city of Ottawa or to Smiths Falls or any other small community. They got exactly what we told them they'd get—the same percentage on the same basis as has been allocated over the last two years.

Mr. Dukszta: Mr. Speaker, a supplementary: Between 1976 and 1977 the city received 100 per cent of its entitlement, which was $1.3 million. The minister now reduces it to 25 per cent of what it was, without giving an explanation. Can he tell me: (1) why he specifically singled out Toronto; (2) has he considered that this affects approximately 150 jobs in Toronto?

Hon. Mr. Bennett: Mr. Speaker, we've tried to distribute the $20 million we had in the Ontario Home Renewal Program on a very fair and equal basis across this province, taking into account the smaller communities to a very large extent, to make much better use of those funds because they employ people within those communities where the small developers or small contractors have a greater risk of unemployment—of not having their services used.

As I've said earlier, very clearly Toronto has been dealt with in this case on the same basis as it was a year ago, and two years prior to that.

Mr. Conway: Since I understand that roughly $106 million has been appropriated by the provincial government through this program over the past number of years, can the Minister of Housing indicate whether or not he has initiated or intends to initiate an audit from his department to ensure that the criteria for which this very good program has been established are in fact being met? Can he indicate whether or not there has been such an audit and, if so, how it is proceeding or, if it is not, if it will?

Hon. Mr. Bennett: Mr. Speaker, over the period of time that we've had the OHRP grant there has been something in excess of $100 million distributed to better than 625 communities in the province. While the member's remarks re auditing are ones that concern this minister and the ministry, yes, we've done spot audits in some of the municipalities.

I can say fairly and frankly that some of them have not been adhering to the policies and procedures that have been set down by the provincial government. Some of it stems from complete lack of understanding or ignorance. As a result, the auditors brought it to their attention that there were some infractions. If the member looks at the provincial auditor's annual report he'll see that they've noted there have been some infractions in one or two cases. The ministry, with its auditing staff, has tried to follow up the report as carefully and quickly as possible to make sure that those infractions were amended and that the policies were corrected.

I must say that in some cases, because of the procedure adopted by the municipality, if we had asked them to go back and set down the procedure according to what we had originally established it would have been a hardship on some of those to whom loans were extended. So there have been special considerations given where it would have been a real hardship to alter the policy or programs for those individuals.

WCB REPORTS

Hon. Mr. Elgie: Mr. Speaker, during my absence the member for Cambridge (Mr. M. Davidson) raised several questions with the Premier (Mr. Davis), concerning a story in the Hamilton Spectator, relating to remarks by a Dr. Jack Richmond at a Canadian Society of Safety Engineering conference.

Like the member, I was distressed to see this sort of comment made by a physician. I am pleased to report to the member that the executive director of the board's medical services division and the director of the claims adjudication branch spoke with Dr. Richmond on the telephone on October 1.

In that conversation, Dr. Richmond stated it was not his intention to advise employers to take actions that would disrupt the processing of legitimate claims, but he did confirm he had stated at the meeting that employers should leave the social insurance number off form 7-S when they are completing it, in anticipation of receiving a phone call from the board which would provide the employers with an opportunity to voice their opinion about the legitimacy of the claim.

In response, board officials outlined the implications of his statement and told Dr. Richmond that if an employer wished to raise doubts about the validity of a claim he should do so by indicating it on form 7 and attach an accompanying letter outlining the reasons for challenging the case.

Dr. Richmond indicated he believed he had been misquoted and, when properly quoted, his remarks had been taken out of context. He told the board he planned to write a letter to the editor of the Hamilton Spectator to clarify the situation.

Both the board and I believe Dr. Richmond now understands that limiting the information provided to the board in the initial accident report provides no benefit to the employee, the employer or the treating physician, as the resulting delay has a negative effect on the employee and might well delay the necessary treatment that could allow him to return to work.

I regret that these comments were made, but I am hopeful this clarification will ensure such comments are not repeated by others talking about the system of reporting accidents to the Workmen's Compensation Board.

Mr. McClellan: Supplementary: In view of the fact this Dr. Richmond has acted as the medical consultant to the BP refinery in Sarnia, as well as to Canadian General Electric and St. Lawrence Cement, I want to repeat the request I made of the minister through the Minister of Health (Mr. Timbrell), or the Premier—I don't recall which—and that is that the Minister of Health review cases which have come from those three companies in which Dr. Richmond was involved in his capacity as medical consultant and make a determination whether Dr. Richmond practised the kind of sabotage on those cases, or on any cases in WCB files, which he was preaching at this convention and which was quoted in the Hamilton Spectator.

Hon. Mr. Elgie: Mr. Speaker, I am not going to disagree with the intent of the member's question, because I share almost an anger that someone would do that sort of thing. Whether or not it is feasible or possible to carry out the sort of review the member requests, I can only inquire and see.

JAILING OF MOTORIST

Mr. Eakins: I have a question for the Attorney General, Mr. Speaker, when he returns to his seat. I believe he is getting ready for after the next election.

Mr. Speaker: The member can put the question. The Attorney General can hear it on his way over.

Mr. T. P. Reid: He can't walk and listen at the same time.

Mr. Eakins: Mr. Speaker, realizing that the new Judicature Act will come into effect on April 1, I believe, and following my question of a week ago, will the Ministry of the Attorney General stop this charade that is now taking place in Ontario whereby, when an individual is convicted of a driving offence and is given the alternative of a fine or, say, three days in jail, that alternative does not exist in Ontario? In fact, if such an individual wants to retain his or her driver's licence a fine must be paid, period. Is this not simply blackmail, instead of allowing the individual the alternative the judge or justice of the peace offers?

Hon. Mr. McMurtry: Mr. Speaker, the honourable member has brought this problem to my attention and I know he is anxious to get a response. I don't know what the problem is in relation to his constituent. I will try again to get back to him as quickly as possible. On October 29 I wrote the member a fairly lengthy letter—

Mr. Eakins: You should read what you said.

Hon. Mr. McMurtry: I will reread it. Quite frankly, I don't recall specifically the contents of the letter, but I did read it—

Mr. Nixon: It was your usual memorable letter.

Mr. T. P. Reid: It's a form letter, anyway.

Hon. Mr. McMurtry: I will pursue the matter further if the member so desires. I am not sure what that particular problem is.

Mr. Eakins: Mr. Speaker, it's simply a straightforward question. When a person in Ontario is convicted in the courts before a judge or magistrate and is given a fine of $18 or three days in jail and the person opts for the three days, why cannot one serve those three days? Why does the ministry write to these people and tell them, "If you want your driver's licence back, pay the $18"? In effect, there's no such thing as serving three days in jail.

Why doesn't the Attorney General stop the charade and tell the judges and the justices of the peace to eliminate this, because one can't serve three days in jail? That's the effect. Can he answer that?

Hon. Mr. McMurtry: I don't have anything to add to what I said in my letter, but I will review the matter.

ESL PROGRAM

Mr. Grande: Mr. Speaker, my question is to the Minister of Education. In view of the fact that only a small fraction of the total number of children who need English-as-a-second-language program are being served in this province right now; in particular, since in two North York schools there are 456 students who have been identified as needing ESL and only 115 in those two schools are getting it; and in view of the fact that between 5,000 and 15,000 Indo-Chinese children who speak no English are expected to enter Ontario schools within the next 12 to 14 months, will the minister assure the House that 100 per cent provincial funds will go to the school boards immediately to ensure that new classes will be set up to meet that need?

Hon. Miss Stephenson: Mr. Speaker, there are very logical definitions of responsibility set out under the general legislative grant which I would anticipate would be a part of any exploration of funding for any massive increase in numbers of students requiring English-as-a-second-language teaching. I'm sure the honourable member would wish to ensure that that responsibility at the local level would remain a part of the responsibility of the locally-elected officials.

Mr. Grande: Supplementary: Is the minister aware that according to the grant formulae no provincial money would be flowing to the school boards until January 1981 to meet this need? Would the minister make a commitment to communicate with the chairmen and with the directors of education of the boards of education in this province who are right now forcing teachers to remove children from the special programs to make room for the new arrivals, and will the minister communicate to them that this is definitely not an acceptable solution to the problems they are facing and will be facing?

Hon. Miss Stephenson: Mr. Speaker, I have no knowledge and no information that indeed directors of education are removing from programs children who are at the present time being taught English as a second language in order to make room for others. I shall investigate the situation and shall be glad to consider the results of that investigation.

TEACHER-BOARD NEGOTIATIONS

Mr. Bradley: A question to the Minister of Education: In view of the fact that the Ontario Public Service Employees' Union has requested on behalf of the academic staff of Ontario's community colleges binding arbitration to settle all outstanding matters and disputes in their current negotiations, is the minister prepared to order that kind of binding arbitration to avoid a devastating strike at this time of year, which would have a very detrimental effect on the academic outcome of students in the province of Ontario?

Hon. Miss Stephenson: Mr. Speaker, it is my understanding that consideration of the request is being made at this point by the Council of Regents for Colleges of Applied Arts and Technology, which is the body responsible for those negotiations. I shall most certainly be interested to hear what the council has to say about it.

Mr. Bradley: Supplementary: Is the minister aware that the employees' association of the family and children's services in the Niagara region requested the same thing, binding arbitration, and when it was not forthcoming a strike did occur and children in the Niagara region were adversely affected? Does she not see the same pattern developing in the community colleges across the province of Ontario?

Hon. Miss Stephenson: Mr. Speaker, I would admit that this eventuality can indeed occur, but I would remind the participants in collective bargaining that the ultimate sanction is one which may in fact be exercised. If there is a reasonable alternative to that kind of sanction I would be most willing to look at it, but I think the fact that that sanction exists does impose a degree of responsibility on each side at the bargaining table, and I would assume that those parties to those

negotiations would accept that responsibility in the light of the possible alternatives and in the light of the possible results of their actions.

[3:15]

VISIT OF U.S. PRESIDENT

Mr. Renwick: Mr. Speaker, I have a question of the Minister of Intergovernmental Affairs. My concern is whether or not this government has been consulted by the federal government about the proposed agenda of items to be discussed at the time of the visit of President Carter to Ottawa later on this week. In the spirit of co-operation that exists between the two governments, has a discussion taken place? If so, what are the concerns of Ontario that may be subject to discussion at Ottawa at the end of this week? What input has this ministry had to the development of that agenda?

Hon. Mr. Wells: Mr. Speaker, I think there have been some informal discussions about some of the details concerning the visit, but I certainly haven't been a party to any detailed subject matter discussions as to an agenda or anything like that. I can't tell the member anything more than that.

Mr. Renwick: By way of a supplementary question, is the minister saying that there are no matters that may be on an agenda to be discussed by the President of the United States with the Prime Minister of Canada that may affect this province, such as the continuing option for the location of major industrial plants; such as the question of acid rain which has preoccupied so much of the time of this assembly; such as the continuing operation of the auto pact; and any number of other items that may be of significance to this jurisdiction?

In the short time available, will the minister try to indicate to the government at Ottawa that there are matters of sensitive concern to this province which have repercussions on any discussions which may take place at the federal level between the Prime Minister and the President of the United States?

Hon. Mr. Wells: Mr. Speaker, this is basically a visit by the President of the United States, a very short visit, to the federal government and to the capital of this country.

Mr. Renwick: It was a short one to Mexico too.

Hon. Mr. Wells: I'm sure that if any of the items that my friend has enumerated are being discussed, the present government of Canada will elicit our opinions—

Mr. McClellan: They'll let you know.

Hon. Mr. Wells: —and our ideas on those particular subjects.

Mr. McClellan: They'll send a press release.

Hon. Mr. Wells: I'd be glad to make a fuller report a little later in the week as to what kind of matters will be discussed at that meeting and tell my friend what is happening.

REPORT

STANDING RESOURCES DEVELOPMENT COMMITTEE

Mr. Villeneuve from the standing resources development committee presented the following addendum report to the report on the Pickering B generating station's steam generators supplied to Ontario Hydro by Babcock and Wilcox Canada Limited and moved its adoption.

Your committee believes that officials of Ontario Hydro, in their testimony of July 4, 1979, should have provided more detailed answers to the committee in reply to questions regarding difficulties encountered with the boilers supplied by Babcock and Wilcox Canada Limited for the Bruce A generating plant.

On motion by Mr. Villeneuve, the debate was adjourned.

MOTIONS

STANDING ADMINISTRATION OF JUSTICE COMMITTEE

Hon. Mr. Wells moved that the standing administration of justice committee be authorized to travel to Park Public School in the city of Toronto on Wednesday, November 7, 1979, and that the provisions of section 66 of the Legislative Assembly Act be not applicable.

Motion agreed to.

SITTING OF THE HOUSE

Hon. Mr. Wells moved that when the House adjourns on Friday, November 9, it stands adjourned until Tuesday, November 13, 1979.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, before the orders of the day, I wish to table the answers to questions 311 and 326 standing on the Notice Paper. (See appendix, page 4214.)

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, OFFICE OF THE PREMIER (continued)

On vote 201, Office of the Premier program:

Mr. Deputy Chairman: I believe that when the committee adjourned the other day the Premier was in the process of answering a question.

Hon. Mr. Davis: I think I had partially completed my answer, Mr. Chairman. The member for Sudbury East (Mr. Martel) was anxious to go about other business and indicated he wanted to be here this afternoon for these discussions. If he has a few observations to make I will reserve my further discussions until he has completed his contribution.

I am sorry, the leader of the New Democratic Party wasn't here on Friday because of urgent public business, so I assume he wants to speak first.

Mr. Cassidy: I apologize to the Premier, actually, for not being present. I was able to hear the last few minutes of his exchanges with the Leader of the Opposition (Mr. S. Smith), but I had an unbreakable engagement outside, and I have broken a few to be here today.

I want to take a look at some of the key problems which will be facing this province as we enter the 1980s. We are less than two months away from that unhappy or happy date, and as the Premier knows we have already raised a number of concerns in this House. I want to reiterate a few of them, because I am concerned about the way the government is tackling major and important issues and I am concerned about the consequences of its inaction in important areas which affect virtually every resident of the province.

The first day we were back, just under a month ago, I asked the Premier about the state of medicare, and he told this House effectively that medicare in Ontario was the best system in the world. I don't think that's too much of a hyperbole.

Since then the Premier has stood aside and let the heat be directed at the Minister of Health (Mr. Timbrell). I can tell the Premier that we don't feel we have been getting the desired response from the Minister of Health. We feel he has been ignoring real problems in the health system that have been created, not just by the ministry but also by the overall policies of the government headed by the Premier.

I have talked to a lot of people this fall about what is happening in medicare and hospital insurance, and New Democrats in general have talked to many more over the course of the last six or eight weeks. I can tell the Premier that the concern about medicare is a very real one in every corner of the province and that the problems we are running into are very similar everywhere in the province as well.

Last Monday I was off in Oshawa and met 150 people there. They told me about patients going from a stretcher in the emergency ward, to which they had been admitted for the lack of a bed, up to the operating room, and then being returned to the stretcher in the emergency ward because there was no other place to put these particular patients. The hospitals in Ajax and in Whitby have whole areas that have been shut down, thanks to the edicts of the Ministry of Health, where there are empty beds, yet people are being backed up in the emergency ward to the point where there are sometimes as many as eight or nine patients who are being held overnight in holding areas for lack of any particular room.

Not only is it a matter of the hospitals running into problems because of the arbitrary cutbacks that the government has brought in, it is a matter of the doctors being given what amounts to a free rein to undermine the health-care system because of the very substantial double billing which they have under way right now.

The Premier may be aware of the fact that the Ontario Medical Association fee schedule averages 43 to 44 per cent higher than what people can receive under OHIP. If you have a broken arm and you get it fixed, you get paid $36.50 by OHIP but the OMA fee is $52. If you have an appendectomy you get $132 and the OMA rate is $190, a 43 per cent difference. So it goes right through the whole list.

That wouldn't be substantially important, except for the fact the proportion of doctors opted out is heavy across the province. In some specialties it is as high as 47 per cent, as in my riding of Ottawa Centre, and effective access to medical care is being denied.

If the Premier would like, I can even send him a copy of Dr. Allan Garland's fee schedule. He is a family physician in Weston who is in fact double billing. Dr. Garland doesn't hold with the OMA fee schedule. Where the OMA would give him $28 he is charging $40 for general assessment, as against the OHIP fee of only $19.50.

On an ear syringe, of all things, where OHIP pays two dollars and a nickel, Dr. Garland charges a mere $5, or a 140 per cent surcharge; and so it goes right through his particular fee schedule.

I raise those particulars with the Premier because I want the Premier to understand that both in the hospitals and in the medical care provided by doctors there are now severe problems. If the government refuses to take any action we are going to get a hospital system which will increasingly be of lower quality. We are going to get doctors who will increasingly decide to take the law into their own hands and charge what they think the market will bear rather than providing universal access. In turn, that will mean a two-class system of health care in the province of Ontario.

That is not what this Legislature voted to bring in when hospital insurance was established in Ontario in the late 1950s; that is not what the Legislature voted for when medicare came in the latter part of the 1960s. We didn't vote at that time for a hospital system which would come under the sudden and arbitrary bed cutbacks which have been imposed by the Minister of Health and his particular staff. We voted for a system that would be universal, to which everybody would have access and which wouldn't treat anybody as a second-class citizen. We didn't vote for 10 years of medicare followed by a return to the welfare ward, a return to a system where people who could afford it got first-class medical care and people who couldn't would find themselves having to wait for hours in hospital clinics or having themselves shovelled through doctors' surgeries at an incredible rate because they couldn't afford any more than what the government plan would pay.

We have made some impact, I think, with the campaigning we have been doing to try to get the government to change its tune. Over the course of the spring the government has come up with $65 million which it said it didn't have in order to help hospitals, although we haven't found out how that money is going to be spent.

The Minister of Health, who has been busily closing hospitals suddenly came up with $32 million for the coming fiscal year in order to help hospitals open new beds within their capital budgets.

The ministry which said no appeal process would be available has somehow managed to invent an appeal process. The ministry which said it would cut beds and offered no alternatives is now quite vigorously looking at the possibility of turning some of those active-treatment beds into chronic-treatment beds.

So far, so good; but the facts are, Mr. Chairman, that is only a step or two along the way to preserving the health-care system we have and making the health-care system a heck of a lot better than what we have had in the past.

When I was in Sault Ste. Marie, I was struck by the excellent community clinic which was established by steelworkers in 1963 and which has now grown to be a model of its kind across Ontario, in fact across this country. The Premier may not be aware of it, but that is a model of the kind of alternative health care which we should have created by now in every part of the province. The Premier may not know it, but that particular clinic, which treats almost half the population of Sault Ste. Marie, is using 40 per cent fewer hospital days than are required on average for patients in Sault Ste. Marie who don't go to that clinic but who go to their regular family doctor who practise the kind of medicine practised elsewhere across the province.

[3:30]

I am sure the Premier can recognize that at $200 or so a day, to save 40 per cent of the hospital days represents an enormous saving for the health-care system, and in turn means an enormous amount of resources which could, and we believe should, be available to provide alternate forms of health care in the community.

That is why we have been looking with frustration on the actions of the government. For 10 years we've had medicare in this province and we have not taken the fundamental steps needed to restructure and change health care. We've privatized the public health-care system. We've provided health insurance for doctors; we have made no changes in the way that the care is actually delivered.

Perhaps the Premier knows that the clinic in the Sault has had to fight entrenched, bitter and continuing resistance, not just from local academies of medicine but also from the Ministry of Health. Perhaps the Premier knows that the small health-service organizations, the community clinics across this province, have been held on a string and made to dance to a tune played by the Ministry of Health, which has devoted every conceivable effort to try to prove that their kind of medicine doesn't work and that the only kind of medicine that works is the kind of medicine that doctors have traditionally provided in this province.

If we are sometimes frustrated at the way the government runs medicare, it's because there are such opportunities on the one hand, while the way we are going, on the other hand, is such a dead end. It is a dead end because of the fact that the cutbacks now seem enshrined in this government's policy. It is a dead end because if public medicare is brought in and designed to be universal and accessible and if the system is not changed, then one is almost inevitably going to get into problems, which could and should have been avoided had there been progressive leadership coming from the government over the last 10 years.

It is not often I spring to the Premier's defence and I won't do it for long, however I do want to say I have heard the Premier say quite clearly that Ontario is prepared to seek a $1-a-barrel increase in the price of oil, which has been agreed to for January, but that Ontario has taken the position there should be no further increases in the price of oil until a number of specific conditions have been fulfilled. I heard that loud and clear, even if not everybody in this House has heard that.

Mr. Conway: Some old game.

Mr. Cassidy: I do fear that the Premier's pleas have been falling on deaf ears up in Ottawa. I think we should register the fact that the shift in political gravity towards western Canada that has occurred in this country in this past year has been even swifter and more abrupt than the shift in economic gravity which has slowly been taking place since the early 1970s.

Nevertheless, in the next election, the Premier, his party and his government will have Joe Clark's energy policies as a cross to bear. I think the Premier understands that's one of the difficulties he will face when it comes to the next election, no matter how much he seeks to fight Joe Clark.

Mr. Martel: He should sell Joe Clark and keep Petrocan.

Mr. Cassidy: That's right, yes.

Hon. Mr. Davis: Now you know that that's nonsense.

Mr. Conway: You can only sell something for which there is an established price.

Hon. Mr. Davis: Does that mean you're for sale?

Mr. Cassidy: I would say as well to the Premier if any other party, if the Liberal Party for example, expects to benefit from the Premier's being identified with Joe Clark's policies, then let's put it on the record. The high-interest party of seven months ago, which was the Liberal Party of Canada, is now the Conservative Party of Canada. The party that was advocating unemployment as part of a fight against inflation seven months ago was the Liberal Party of Canada; that's now become the Conservative Party of Canada. The party that was trying to cut family allowances, and did so in fact a few months ago, was the Liberal Party of Canada; its members are now joined by their spiritual brothers, the members of the Conservative Party of Canada.

Mr. Martel: Surely there is not much difference, is there?

Mr. Cassidy: The party which was seeking world prices for oil in this country a few months ago was the Liberal Party of Canada. It is now joined by its spiritual brethren under the leadership of the fellow the Premier campaigned for.

Hon. Mr. Davis: You're not blaming me for that.

Mr. Cassidy: I'm not blaming you, I'm just saying—

Hon. Mr. Davis: But you're not sure of the latter part.

Mr. Cassidy: I guess there is one good thing about the May 22 election.

Mr. Conway: This can only be described as war of cordiality.

Mr. Cassidy: That's better than cool cordiality. The one good thing that emerged from May 22 is the demonstration that if there is anything worse than a Liberal government in Ottawa it's probably having a Conservative government in Ottawa. The two of them are just about impossible to distinguish when they trade hands and trade leadership at that particular level.

Mr. Nixon: Thank God, we'll never find out about the third party.

Mr. Martel: Don't be so sure; they said that in Ontario.

Mr. Cassidy: It's easy to have hindsight but I would like the Premier to imagine that Ontario, back in 1975, had joined with the province of Saskatchewan when Alan Blakeney proposed the energy security fund that he put forward at a federal-provincial ministers conference in 1975. That fund, established at that time, would have put the ownership of new energy resources squarely in the hands of the public of Canada and in the hands of the governments of the producing provinces. It doesn't take much imagination to see how much different the situation would be today. Now we find ourselves at the mercy of multinational oil com-

panies; we find ourselves spending hundreds of millions of dollars on tax expenditures in order to help those foreign companies develop our resources and sell them to Canadians while keeping them under foreign ownership. It was an opportunity that was lost, Mr. Chairman.

To bring the discussion closer to home, there are other opportunities that have been lost in this province as well; that was just one of them.

The government of this province will be judged on its energy policy, not just on the basis of what was said at federal-provincial conferences but also on what is done here in the province of Ontario. That's why when I spoke in the energy debate a couple of weeks ago I talked about a number of specific, concrete steps that could and should be taken by the government of this province, by the people of this province, to improve the productivity of our energy use; to make sure that we were less vulnerable to ransom, whether from the Alberta government or any other outside body.

I made a number of specific suggestions in the areas of building codes, insulation, transit and methanol development, and a number of other items; but we wait in vain, Mr. Chairman, we wait in vain for the Premier and the government to determine when anything is actually going to occur. We hear with interest but with concern that the government's planning for energy over the next 15 years involves about $15 million or $16 million of public expenditure, almost all devoted to the generation of electricity. It is a pious hope that the private sector will do what the government will not in terms of developing alternative sources of energy and in terms of conservation. Meanwhile, Hydro spends $1.8 billion on new investment, largely in the nuclear area, while the government's total investment in the areas of conservation, renewable energy and alternate energy sources totals about $16 million. At a conservative estimate that is about one per cent of what's going into the area of Hydro.

Mr. Nixon: Hydro plants are cheap.

Mr. Cassidy: In simple terms, Mr. Chairman, that isn't good enough. Despite everything that's been said and all we know about the energy needs of this province, we still haven't got an effective energy plan coming from the government. We have ample advice being directed to the feds about what they should do, but very little is being done in terms of breaking the paths in Ontario. We have a continued, almost excessive, expenditure in one area, the area of electricity. We are already 25 per cent overbuilt, while next to nothing is done in the other areas. We have a Minister of Energy (Mr. Welch), the latest in a line occupying that particular position, for whom I have great respect. I had great respect for his ability as House leader and so on, but that position is becoming a revolving door. The present minister perhaps indicates why that is so when he says, despite what even the National Energy Board says, that there's no problem, our situation is manageable once again. You may as well start to change him, Mr. Premier, it is about time; you knew you were going to have to do it soon.

Mr. Chairman, one of the concerns legitimately expressed by western Canadians over the course of recent months is just what has Ontario done with the control it has had over the industrial heartland of this country for the last century, let us say for at least the last 35 or 36 years. What have we done? Yes, it's grown; but now that we have come to the crunch, now that the good times are no longer here, what have we built to protect ourselves and this country as we move into the 1980s?

What advantages have we taken which will benefit us five years from now during this period when our energy prices have been significantly below the world energy levels that have prevailed, particularly in Europe?

Over the last two or three years there has, in fact, been a great increase in understanding and public discussion about some of the problems of Ontario's industrial economy. Many of the things New Democrats used to be alone in talking about have now become almost common watchwords, as people talk about the costs of foreign ownership and about the risks of relying on foreign oil multinationals and other problems like that. Other people now recognize what we have said for a long time.

My colleague, the member for Sudbury East (Mr. Martel), and my former colleague, the former member for Wentworth, Mr. Deans, and a number of members even from the Premier's party, joined together in the select committee on economic and cultural nationalism back around 1972 to develop a blueprint of what was needed to try to protect and secure the economy of this province and this country against the control of foreigners and against the problems that have been created.

Apart from insisting that the boards of directors include a few Canadians, 51 per cent, and that can be five secretaries from

Canada and then the five big boys who come up from Cleveland—

Interjections.

Hon. Mr. Davis: No, no.

Mr. Martel: All this is window dressing and you know it.

Hon. Mr. Davis: I will give you a list.

Mr. Martel: Yes, I know; it's still window dressing.

Mr. Cassidy: The facts are the structural problems of the economy now are exposed as never before. With 60 per cent of our industry in foreign hands, and half of that, or more than half of that, in the hands of US corporations, we are suffering an enormous drain in terms of profit, in terms of dividends, in terms of management fees and royalties—God knows you name it and off it goes across the border. It is at a rate which is getting pressingly onerous as far as people in the province and the country are concerned.

There is the problem of the export performance of foreign-owned corporations. The Premier knows—at least he acknowledges to me privately—that when a foreign-owned corporation is under orders from head office not to export, particularly to the most attractive market we have abroad which is in the United States, then the fact is there is a branch plant operation such that they have nothing meaningful to sell. They don't research, they don't develop any products; they have nothing in particular to sell abroad, and therefore they are part of what the experts now call the truncated branch plant structure of our economy, of which this particular province is the epitome right through Canada.

The Minister of Industry and Tourism (Mr. Grossman) has discovered global product mandating—I will give him some credit—but he hasn't yet discovered how to make it stick with foreign owners who have learned over the years they can cock their snook at the Ontario government, right from the Premier on down, because effectively there is no political will being shown to make those foreign-owned corporations act Canadian and to bring them under Canadian control.

I would like to see this government say that over the next 10 years our goal is to reduce foreign ownership in this economy from 60 per cent or more in manufacturing to 40 per cent, or to 30 per cent; and if we are not getting there by natural market forces then by God we are prepared to take direct action in order to see that kind of goal achieved.

I think that kind of thing is feasible, and I think had this government said that back in the 1960s we would not be looking with such pain on the prospects for the economy in the 1980s when so much of our economy is foreign controlled.

One of the areas where we have a particularly dismal record is in research and development. The science and technology jobs can't be filled by Canadians if R and D isn't being done in this country.

If I can give just one example to the Premier, his colleague was up in the House the other day to announce, with some pride, the decisions by General Motors Corporation to invest in Windsor and in St. Catharines. We welcome that particular investment, although we would prefer to see it in Canadian hands. I think the Premier knows that, but the Premier did not comment the other day on the fact that all of the technology for the new cars of the 1980s being carried out by General Motors is being carried out without so much as a nickel of effective research and development spending by GM here in Canada.

We have a cold weather station up in Kapuskasing which employs a handful of housewives and a few motel owners to house the researchers who come up from the United States and that's all, that's all the research and development. In the meantime, Canadians who buy cars and trucks every year are remitting to the United States the equivalent of $300 million annually for research and development by the automobile companies in the United States.

[3:45]

Mr. Martel: A disaster.

Mr. Cassidy: I could point out to the Premier the fact we have high unemployment, with the prospect that it's going to rise again in 1980 according to what the Conference Board in Canada says, and yet we have severe shortages of skilled labour in virtually every area of need.

This government has been prepared to let companies hire their skilled workers abroad. It's been a policy which has been devoutly followed for so many years that now we have an ageing skilled-labour force and nobody coming up in Ontario to fill those particular jobs. We get the Ministry of Industry and Tourism going off to the United Kingdom to help General Motors of Canada Limited hire skilled workers for its plants down in Windsor. We have Douglas Aircraft Company of Canada Limited trying to do the same thing until it was turned down by its union, the United Automobile Workers.

We have a manpower commission, which has been established under the Minister of

Labour (Mr. Elgie) but every time we ask the minister what it does he says: "The Ministry of Education has got a bit of this action." Similarly, the Minister of Industry and Tourism, and goodness knows who else, have various parts of that particular show.

There is still no effective manpower policy. There is still no insistence that companies have a responsibility to train or to contribute to the cost of training if they won't do it themselves. There's still no insistence on planning for our manpower needs and in making sure that those skilled workers are in fact going to be trained and will be available in the 1980s, and that those opportunities will in fact be opened up to the young Canadian men and women who are now coming out of our high schools, colleges and universities.

Mr. Chairman, I think the Premier should recognize that in Ontario right now, far from an increase in industry there are signs that in certain key sectors we are suffering from deindustrialization. I could cite an example right in my own riding where 100 jobs at Jean Pigott's old plant, the Morrison Lamothe company, are now disappearing as a result of a corporate merger with an American-controlled company which is taking over Morrison Lamothe's bakery operation.

Here in Metropolitan Toronto, the heart of the Golden Horseshoe, they've had an increase of almost 900 manufacturing jobs between 1974 and 1979 at a time when the work force has gone up by 20 per cent.

Hon. Mr. Davis: Yes, but you have to include Brampton and Mississauga.

Mr. Cassidy: The Premier says, "You have to include Brampton and Mississauga." I'm sorry I don't have the figures with me here, but I would say to the Premier that all that Brampton can do will not prevail over the shortfall in the creation of industrial jobs through the remainder of the Metropolitan Toronto region.

When one looks at the fact that there have been losses in jobs in the durables sector, in textiles, in clothing, in furniture, in paper, in metal fabricating, in machinery, in electrical products and in chemicals in Metropolitan Toronto over that five-year period it gives one pause. One begins to ask oneself if the government has been doing an effective job of stewardship over our economy, and if so why are these industries in actual decline in terms of the number of jobs?

Why is it that there's been no growth at all in such key areas as primarily metals and in rubber products? Why is it that the government, which says it's so concerned about the development of Canadian enterprise, continues to give its seal of approval to 90 per cent of the applications before the Foreign Investment Review Agency in Ottawa?

If one looks at another area, the area of buying Canadian, one asks if the action of this government in rejecting Canadian suppliers—when it comes to light as it did in the case of Canadian Applied Technology and that equipment that was needed for Nanticoke—isn't just like the tip of an iceberg? Doesn't that really demonstrate that the slogans and the TV commercials and that lovely little red maple leaf that I see on the billboard when I drive down to the Legislature, or even when I ride on the TTC, are all very nice, but in reality the government is not prepared to put its commitment where the publicity has been as far as encouraging a science-based corporation here that comes from Canadian sources and does Canadian-based research and development, and surely the government has to be judged not just by its words but also by its deeds.

The deeds of the government have been predicated on the view that if the government pulls in its horns, if we deny essential services to the public, then in time that will begin to pay off in terms of private sector development. That fails to recognize the serious structural problems. If the private sector is deindustrializing; if Texas Instruments Incorporated, to give an example, is taking its assembly line operations back to the US and is just simply replacing them with a warehouse operation here in this country; if that is happening in many parts of industry, and if there is no or little commitment to Canadian production and development on the part of the firms that control 60 per cent of our manufacturing industry, then that belief in private enterprise is not going to succeed.

We are not going to get the kind of returns the Premier and the government are looking for. We are not going to get the kind of growth of jobs this province actually needs. We won't be able to resist that drift to the west. We will find ourselves in the 1980s facing increasing difficulties, on the one hand because the industrial economy in the province is weak; and on the other hand because of the fact that, given that weakness, we will have more and more difficulty in maintaining essential public services, such as a high standard of health care and of social services.

Those are the most critical issues, but I bring to the Premier's attention the fact that everywhere you now look in this government there are problems. I am not sure how he can justify the fact that where last year

three children's aid societies felt compelled to appeal their budgets to the ministry's review board, this year 30 of them had to do so. I am not sure how he justifies the government's standing by while for five months a strike has been forced to continue at the Sault Ste. Marie Children's Aid Society over a dispute which comes down to a difference of about $20,000.

I am not sure how the Premier can, on the one hand actively intervene to torpedo the bill of the member for Ottawa East (Mr. Roy) which would have given legislative status to the French language, something which has been the cry and the desire of Franco-Ontarians for so many years, and on the other hand stand idly by while the Minister of Education effectively reverses a policy the Premier himself brought in 10 years ago—

Hon. Miss Stephenson: That is entirely erroneous.

Mr. Cassidy: —to guarantee that there could be a right to French-language secondary school education for everybody in the province.

Hon. Miss Stephenson: That's where you're entirely wrong.

Mr. Martel: Then deliver it.

Mr. Cassidy: I am particularly concerned because of the fact that with the referendum taking place in Quebec in six or seven months, why it is that this province, which has such a crucial role in Confederation, should quite deliberately set out to prove every allegation of the PQ and of the separatists when they say the rest of Canada doesn't care about its francophone population—

Mr. Martel: They do, they use it every time.

Mr. Cassidy: —and that the only place they can find a national home is in Quebec? The Premier should know that the headlines are almost six inches tall. Certainly the impact on people in Quebec every time we take a decision like the one in Penetanguishene is absolutely stupendous in terms of convincing people in Quebec that Ontario doesn't care. He should know that every Penetang costs 10 times as much in terms of the loss of what influence we could have on the future referendum, as does everything this province has done; and it is quite a commendable record, in many ways, in terms of providing French-language secondary education for the 80 or 85 per cent of the eligible population who now benefit from it.

We have some accomplishments in that area, and when I talk to my friends from Quebec I tell them about them, Mr. Chairman. I say that to the Premier too, but all the same I can't go into Quebec and defend the fact that when it came to the crunch we were not prepared to continue along the route that was decided upon 10 years ago.

Hon. Miss Stephenson: We are going along the route that was decided upon. Just because we're not building a building doesn't mean we're not going along that route.

Mr. Martel: You have to teach in the system to understand it.

Hon. Miss Stephenson: Oh, nonsense.

Mr. Martel: Look, I've spent time in both systems; don't you tell me.

Mr. Nixon: Oh well, that's the end of it right there; next.

Hon. Miss Stephenson: Nobody can tell you anything.

Mr. Deputy Chairman: The member for Ottawa Centre has the floor.

Mr. Cassidy: Every Franco-Ontarian group of any substance has registered its opposition to the step taken by the Minister of Education.

What I want to do, in concluding, is to express concern over the fact that whether it's kids; whether it's social workers who are trying to do a job in Sault Ste. Marie; whether it's people who just want to get access to medicare without having to pay extra; whether it's people in the labour unions who are forced to go out on the picket lines in order to get such basic rights as union security or a first contract; whether it's the Franco-Ontarians—it seems there are so many minorities across this province; whether it's women, who are still battling to get legislation in this province to get equal pay for work of equal value; this government seems to be set on a tactic of confrontation rather than one of seeking co-operation in order to gather our forces together to meet the challenges of the 1980s in areas as crucial as medicare, energy or the economy.

I say as well that if I were a Conservative —I haven't been and I don't intend to be— I would have real qualms now about the nature of the government which is being led by the Premier. It's beginning to show the same problems as the federal Liberal government was showing in its latter years.

I give the Premier great credit for the fact he's led this province for eight years, it's longer than I've had a chance to yet do—

Interjection.

Mr. Cassidy: We'll have to see about that. We'll let the voters decide on that particular subject.

Increasingly, it seems as though the shots are called by the Premier. The Premier is dealing from a hand which I'm afraid is tending to be more and more empty when it comes to filling up the cabinet. That creates real problems, as I think the Premier will acknowledge happened with the federal Liberal government. It happened in Ottawa, and I'm afraid it can happen here as well.

Hon. Mr. Davis: I think when you say you're afraid of it happening you really are saying you wish it would, and you know it won't.

Mr. Martel: Verbal gymnastics at its best.

Mr. Cassidy: I'm just making an observation, the public can be the judge.

I do want to say that we are going into the 1980s, in my opinion unprepared and unarmed for the challenges we have to face. We've lost many opportunities over the course of the last decade, certainly in the time I've known this House, since October 1971.

If I can give one specific example to the Premier. It was in February 1978 that this government decided it would advance $300 million interest free to Rio Algom and to Denison Mines. That was Ontario's Petrocan. Denison is now dutifully going out in the private sector buying up energy investments in heavy oil all over the place, thanks to the grubstake it was given by the Ontario government.

We could have taken those corporations over; brought them into the public sector; had them do in the public sector, at public profit, what they are now doing in the private sector at private profit.

Mr. Martel: At great cost to us.

Mr. Cassidy: We could thereby have helped to secure the energy future of this province. But that door has been shut because of the decisions of the former Treasurer (Mr. McKeough), and presumably of the Premier himself.

When we come to grips with the problems of the 1980s they are going to demand more than a government which is ideologically committed just to standing aside. They're going to demand more than just simply a policy of restraint in hope that the private sector will somehow come through. They are going to demand planning. The problems of the 1980s are going to demand commitment and involvement on the part of government. They're going to demand more than what the so-called swing to the right is delivering.

It seems to me people are looking for that kind of engagement from government, and I don't really think it can come from this government because of the nature of the party the Premier happens to lead.

If we at times appear to be frustrated at the inaction on medicare, at the failure to create policies to start meeting our energy needs within domestic sources, and the failure to come to grips with the problems of foreign ownership and the structural problems of our economy, it's a frustration over the fact that the party the Premier leads has been in office for so long and is not taking advantage of the opportunities that are there to turn this province into a province that could do so much for so many of its 8,500,000 residents.

I wanted to put those few remarks on the record. I know my colleague has some comments about the Legislature. I welcome the chance to make this contribution to the Premier's estimates; I hope he emerges chastened and wiser, and that he will in fact implement a number of the suggestions we've been so bold as to make.

[4:00]

Hon. Mr. Davis: Mr. Chairman, I would like to reply briefly to the leader of the New Democratic Party, because he would be upset if I didn't at least offer some observations on the points he has raised. At the outset, I would like to say that I thought it was one of his more reasoned approaches here in the House.

Mr. Cassidy: I'm always reasonable, Mr. Chairman.

Hon. Mr. Davis: No, I'm not sure that the member is, but I thought it was one of the more reasoned ones; although wrong, at least it was delivered in a way that does not provoke an unreasoned response.

I won't deal with medicare at any great length, Mr. Chairman, because we've debated that on other occasions. I expect we will continue to do so. I do thank the leader of the New Democratic Party for acknowledging that in the field of hospital services the government is moving ahead, that we have found additional funds to make very significant progress. That's the language I would use. The member uses a different language but I'm sure we were saying the same thing.

Mr. Cassidy: We had to twist the government's arm in order to get it.

Hon. Mr. Davis: Oh, no. How these things are done is something else, but it's encouraging to have the leader of the New Democratic Party publicly acknowledge we are making significant progress in medicare. It's certainly much better than it was six months ago—

Mr. Martel: Kick it to death.

Hon. Mr. Davis: —and there are just one or two hurdles to resolve.

Mr. Martel: The government has slowed down the decline.

Hon. Mr. Davis: With respect to the energy policy, the member at least understands what we have been saying on energy with respect to pricing. I wish he would read, though, the second paper more carefully. Some of the suggestions he made today, in fact, are included in that.

Mr. Nixon: Is that the Welch paper?

Hon. Mr. Davis: The Welch paper, that's right. I would think that if the member read that carefully he would find not only the things he has mentioned today but others that have been suggested in terms of how, as a province or even nationally, we might do more with respect to either substitution or conservation. However, I would point out to the leader of the New Democratic Party, who along with his colleagues is concerned about the continued growth of Ontario Hydro, that obviously electricity is one of the potential substitutions and here is a resource that we can use. To say we should substantially limit its potential, when it has in turn the ability for substitution, would I think be a contradiction of the things he has said.

Mr. J. Reed: Tell us about substitution of electric power for liquid fuel, what's the difference?

Hon. Mr. Davis: I know the energy expert for the Liberal Party is interested, why doesn't he say something?

Mr. Nixon: He just did.

Hon. Mr. Davis: I read all he says on energy with a great deal of interest.

To digress a bit, Mr. Chairman, I'm not suggesting that you can substitute electricity for all other forms of energy—

Mr. J. Reed: That's the first step in the right direction the Premier has taken in a month.

Hon. Mr. Davis: —but I do say, with respect, that you can substitute it for some forms of energy, that is correct. My guess is that out of the total in terms of energy supply, you could increase the electricity component by several percentage points without any major adjustment. In fact I think the member will find this has been the case in some other jurisdictions.

Who knows? Take a look, for instance, at the GO Transit service. I haven't done any calculation of costs recently but surely one can't ignore the potential of the electrification of that part of the system.

Mr. J. Reed: About 100 megawatts.

Hon. Mr. Davis: Yes, sure.

Mr. J. Reed: The Premier didn't know that before, did he?

Hon. Mr. Davis: And this is available. Listen, we did a costing 10 years ago; I didn't but it was done, somebody did it.

Mr. Nixon: The Premier used to be on Hydro, didn't he; he used to be on the Hydro board?

Hon. Mr. Davis: Yes. Does the member know how long ago that was? That was before he was even a member.

Mr. Nixon: That's when some of the original mistakes were made.

Hon. Mr. Davis: In fact that was before he even thought about becoming a member.

Mr. Conway: I remember it well.

Hon. Mr. Davis: Yes, the member for Renfrew North does. What was he; aged two, maybe four?

Mr. Chairman remembers it well, that's when he was on the Etobicoke Public Utilities Commission.

Mr. Conway: That's right, when he was a Liberal.

Mr. Deputy Chairman: Let's leave Mr. Chairman out of this and get on with the debate.

Mr. Conway: If it's good enough for the Minister of Education, it's good enough for the Chairman.

Hon. Mr. Davis: However, I urge this on the leader of the New Democratic Party: to ignore the potential of electrical substitution for other forms would be unwise, because I think it's one of the great pluses we have available to us here.

As I mentioned in the discussions on Thursday or Friday, we think the potential of substitution of natural gas is significant, but it too has its limitations. I think we should be very cautious. Spending a lot of money doesn't necessarily mean we're going to find other sources of energy.

I don't close my mind to any of these potentials. I don't close my mind to the possibilities in terms of solar energy, for example; I discussed this when I was in the United Kingdom. There were people there who were arguing that maybe by the year 2000 we could get up to three per cent of energy consumption through solar. That doesn't sound like a large percentage to some people, but if we could that would be a very positive step. That is the kind of figure they were looking at there, and I think that is true of

the European community and its assessment of other sources of energy.

I will deal briefly with the manufacturing sector, because here the leader of the New Democratic Party and I have certain philosophical differences, some of which will be shared by some members of the Liberal Party but not all members of the Liberal Party.

Mr. Nixon: Some of the members some of the time, but not all of the members all of the time.

Hon. Mr. Davis: That is about right. I am not getting into a lengthy debate on multinationals or control by people other than Canadians, except it is intriguing that you are so negative about how things are here when you recite all the problems we are experiencing. Yet it is interesting to me that the economy of this province is still performing better than that of most states of the union where a lot of these multinationals are headquartered. What I can't quite understand is how you reconcile your longer-term perspectives of the economy of this country with the fact that we are, in your view—and I emphasize in your view—dominated mainly by our American neighbours when most economists give us far greater credit for a potential for economic growth than the United States. I find that in itself something of a contradiction.

I share the views—in fact I think I have expressed them more often than you have—about research and development. I have said to the automotive industry very clearly that we don't want to be confined to the role of hewers of wood and drawers of water, we want our share of research. I think that the companies are giving this serious consideration; I can't establish anything as yet but I am hopeful.

Mr. Martel: It's just lip service.

Hon. Mr. Davis: No, I think the potential for this exists. I don't want to have you be completely negative. I just happened to drop into a modest ceremony—you can question how modest it was—at Litton Industries the other day. Litton Industries got an order for $1.2 billion; I think I am fairly close there. This is being done partially through Canadian research, it is being done through Canadian personnel and it is being done in relation to that same firm that you like to chat about, McDonell Douglas. It was won in competition with other people in the United States and it is related to Litton Industries in the United States, but it is functioning as a separate entity. Litton is in a position now to export in the neighbourhood of a billion dollars worth of Canadian-manufactured goods.

Tell me now that the ground rules are all wrong when that sort of thing can happen, because I will take you out to Litton Industries, if you would like to go, to chat to some of the people there. They are not going to tell you that their relationship to Litton in the US has been a total negative when you see that extent of that order, and this is not an unusual sort of example.

Take the case of McDonell Douglas. I just mention these things because they happen to be very close to my riding. The fact is that McDonell Douglas here in Canada in terms of productivity and many other things is showing a better record than that of some of its component organizations in the United States. This is recognized and they are getting increased work. This is happening even though it is part of a multinational.

I am not one to be negative about having more Canadian control and Canadian ownership, I have always been in support of it; but I have to look at the realities. You are asking me to look at realities; I am asking you to look at some.

Our responsibility as a government is to move the economy ahead and to do our best to encourage a climate where investment and job creation can take place. You can talk about some figures here in Metro. You leave out the fact that Ontario has had a better rate of job creation than that of any comparable industrial jurisdiction. You are great at figures, but check them out and show me a jurisdiction that is comparable where in the past 12 months they have had a better record of job creation, a lot of which is in the manufacturing sector.

You can always isolate or take a look at one geographic area. I haven't got the figures and I am not going to debate them with you, but I look at the totals and I think that the totals for 1979 will be close to 140,000 jobs. That in itself indicates that the economy of this province has continued to move ahead. In fact I think it indicates more than that; it indicates that part of it, though only a modest part, is the result of policies of this government.

Mr. Cassidy: In manufacturing, you know, we have just gotten back to the number of people we had employed in manufacturing in 1974.

Hon. Mr. Davis: But you are arguing the influence of the multinationals, and I just have to tell you that sort of problem isn't related to the multinationals. The problems we are having here in some areas of the

electronics industry are the same problems a multinational or a series of multinationals are having in the United States.

When did Zenith close up their shop in Chicago, was it four or five months ago? It was really the last of the major American electronic-TV producers. I don't know where the work has gone, I forget now whether it was Mexico or Taiwan. The fact of the matter is the same multinationals you are critical of every day in the week are experiencing the same difficulties in that area in the United States as they are here. It is something that really isn't related to being a multinational.

Mr. Martel: They have no allegiance to anybody.

Hon. Mr. Davis: It is related to the fact this economy is competing now with the Third World economy, or whatever terminology you may wish to use, which establishes a very different set of competitive ground rules. I am just saying to you don't lay it on the backs of the multinationals, there are other problems inherent in that.

Mr. Martel: They have no allegiance to any country.

Hon. Mr. Davis: I would say if you eliminated the philosophical debate about multinationals we would still have trouble in some areas of the electronics industry. I don't think we can ignore that reality. It is something that has happened and something no degree of subsidization and so on is going to solve.

We have to attempt to develop some of our own technology, concentrate on those things we can do as well or better than other parts of the world, which is not an easy thing to go about.

I refer to the question of employees or skilled workers. I am always encouraged when I hear from the members opposite the concerns they register, because over the years there has been some difficulty in this area.

Mr. Kerrio: I don't want to get in the bag with Cassidy. Don't say, "you members over there." I don't want to get in the bag with him.

Hon. Mr. Davis: I will try not to—I won't say it. I have a member of the family here who doesn't understand all these debates in the House.

Mr. Deputy Chairman: If you are going to make interjections as to whom you are going to get into bed with, you had better get into your own seat to make them.

An hon. member: Politicians make strange bedfellows.

Mr. Kerrio: No, no. I said bag.

Hon. Mr. Davis: He interrupted me. I think the minister was asked, and the other day I was asked, a question with respect to skilled workers and figures were given as to the number who come into this country. In terms of impact I used the figure five or six, and I think the figure the minister had was seven, it doesn't matter, in terms of the multiplier effect.

Part of the problem we have had, and it is changing and I acknowledge this, has been the reluctance of other groups in our society to accept the concept of skilled training as being a valid form of educational experience. There has been a reluctance, even on the part of some segments of society, to encourage and support apprenticeship programs.

Mr. Cassidy: Like corporations.

Hon. Mr. Davis: But they are not the only ones. I used to have that very simple position, as Minister of Education. There were no problems in those days. We even issued certificates to such unlikely candidates as the member for Sudbury East and all the rest. It just shows you how broadminded we were.

Mr. Martel: He's just a great fellow. We had to listen to your instructions.

Hon. Mr. Davis: I can recall the discussions, and even he may recall them, with respect to the four-year program. Do you remember the debates we had about the two-year occupational program? They still haven't been totally resolved as to the number of hours that might or might not be included. It is something that goes back a while, and with great respect you can't blame the government totally.

I am not going to repeat what the minister has said far better than I on so many occasions about this whole area of skilled training. That is there is still out there, that is outside the enlightened atmosphere of this legislative building, a feeling on the part of a lot of people who were rather directly involved with young people and who are in the decision-making process, who still will encourage them and say to them, "Please take your second year in law at Queen's instead of something else", or say to one other member of the family—do you have any family yet, Michael?

Mr. Martel: When you were minister you had to get a profession, that's all we ever heard then.

Hon. Mr. Davis: I have to say to the member for Sudbury East you never read my statements. I made the strongest plea, and the member for Brant-Haldimand-Oxford-Norfolk—all of those great counties he represents—can recall debating right here in this

House the whole concept of the community colleges, and he recalls too the pressures we were under as a government—

[4:15]

Mr. Martel: You should get back to the teaching profession.

Hon. Mr. Davis: —as well as the pressures I was under as a minister to establish these with a straight transfer program, like the junior college system in the great state of California with everybody going on to university, with everybody getting their BA, MA, PhD. Who was leading the crusade? The great member, he was then the member for Brant (Mr. Nixon) was leading the crusade in terms of a transfer of programs in the colleges.

I made some great speeches in those days; I made some great speeches about the relevance to society of a skilled tradesman vis-à-vis somebody in the professions. I would make the same speech again today but the honourable member wouldn't listen to me.

All I have to say to him is that the public attitude—

Interjections.

Hon. Mr. Davis: I have to tell the honourable member one of the toughest fellows I had to deal with on this concept for a period of years was the same Walter Pitman. I am always encouraged the way Walter has changed his approach, I am just very encouraged. The honourable member should have heard him talk. In fact I had to correct him; he used to talk about liberal education, and I told him as the NDP education critic that was a contradiction in terms too. But anyway Walter has come around and I am delighted that he has.

Mr. Cassidy: Doing a good job.

Hon. Mr. Davis: But I say there is still a school of thought—or that is the wrong way to phrase it; there are a lot of people who still are reluctant to embrace the concept of a technical training program or skill training as being what they want for their children in terms of an educational experience.

Mr. Martel: That's your brainwashing in the school system.

Mr. Chairman: Order.

Hon. Mr. Davis: Listen, if the honourable member is taking responsibility as a member of the teaching profession for doing it—

Mr. Martel: I'm not, I didn't create this—

Hon. Mr. Davis: Well he should go out and talk to his teacher friends if he thinks they are doing that.

Mr. Martel: They never had a say in this.

Hon. Mr. Davis: Oh come on, they can encourage their students any way they want.

Mr. Martel: Well, go after them.

Hon. Mr. Davis: Don't be so negative about the profession, don't be so negative about your colleagues.

Mr. Martel: I know how they feel about it.

Hon. Mr. Davis: In fact I am told when the honourable member was teaching, whenever he did teach it was always, "Listen, be a teacher like me." And all your students said, "Heavens above, is that the only future for us?" No, that's not true, they didn't say it that way.

Mr. Martel: I never taught Sunday school.

Hon. Mr. Davis: Well I did, that's where I got all my teaching experience. That's why I can speak about teaching with such great depth and knowledge.

Mr. Conway: The best note taker the University of Toronto ever had.

Hon. Mr. Davis: Who was?

Mr. Conway: You were the best note taker the U of T ever had.

Hon. Mr. Davis: I never took notes, never took notes.

Mr. Conway: That's not the record I have.

Hon. Mr. Davis: I tell the honourable member I didn't take notes, it was one of the great mistakes I made.

Mr. Martel: You should play football for the Toronto Argonauts.

Mr. Chairman: Order.

Hon. Mr. Davis: Dealing with the philosophical concern, the last area mentioned by the leader of the New Democratic Party, I don't think there is any point in labouring whether nationalization of the resource industry is an answer to the economic problems or the future of this province. He has his point of view on nationalization, we have our point of view; and I think our point of view will continue to prevail. I don't happen to believe that government, like the honourable member feels, should be running everything. I don't think we can do it as well as people in the private sector and I think—

Mr. Cassidy: It's the record playing again.

Hon. Mr. Davis: Well listen, it is in fact a matter of record, look at it in many other places.

Mr. Martel: What did your colleagues say on the select committee, what did they call for?

Hon. Mr. Davis: Who?

Mr. Martel: Fifty per cent takeover of natural resources.

Mr. Chairman: Order.

Hon. Miss Stephenson: Oh come on now.

Mr. Martel: You'd better read it.

Hon. Mr. Davis: I have read it.

Mr. Martel: Tell her she doesn't know anything.

Hon. Mr. Davis: I don't know what the Premier of Saskatchewan is going to do, I have no idea; but I'll say this, and this is no criticism of Saskatchewan's policy, it is intriguing when we are talking to people in other parts of the world in terms of investment, which I know the honourable member wouldn't encourage us to do but which I think is part of my responsibility, some of them do raise the question of the policy of the government vis-à-vis nationalization or takeover. I think it is fair to state that most people in the business community whom we are trying to interest in the growth of this economy are less than enthusiastic if that is the stated objective of the government. I happen to have to report that too.

Mr. Conway: If it's good enough for Hydro it's good enough for me.

Hon. Mr. Davis: I think we can make some slight distinctions. However, Mr. Chairman, I try not to take any more time than the members themselves take, so I think I have contributed my modest share in that length of time. If there is anything I haven't answered to the satisfaction of the leader of the New Democratic Party he might communicate to me and I'd be delighted to personally share some more of my thoughts with him.

Mr. Nixon: I hope the Premier noticed that the name of the constituency is Brant-Oxford-Norfolk. I don't represent any part of Haldimand, and they are probably very relieved at that. If the Premier continues to have difficulty with the name of the riding I know that my good constituents would accept it if he just called it Brant; it's just a suggestion.

I have two or three things I would like to raise, Mr. Chairman, and the first has to do with the comments the Premier made today about the possibility of a referendum debate and the way the House might handle it. I feel quite strongly about it.

Actually, I thought the Premier made a good statement today. I felt he was a little uncomfortable with some of the words, like where he felt that the white paper was proposing a "cop-out" and it would be the greatest "cop-out." I felt I should advise him that when his writers give him something he's not wholly comfortable with he not use it. It's a bit of advice I should have given myself some years ago and taken. I felt him hesitate a little bit before he mentally said: "Well, the heck with it. I might as well use it." It just didn't sound like him.

However, the phrase about we are fortunate enough to be fighting over riches rather than poverty, or something like that, that was a very good line. It's not like him to use the word "fighting." He's a great fighter but he doesn't like to talk about debates or fighting or "I", or any of those words that have connotations that he thinks are sort of improper. By "I", I mean himself.

He did, however, feel that it might not be proper for a committee of the House to be discussing the various alternatives, that it would be better if it would not be restricted, let's say as a select committee would be to five or six from each party or something like that, but in fact it would be better to have it as a discussion in the House itself.

My colleague, the leader of our party, expressed agreement; and I think there was general agreement that we would not want this to be an exclusive sort of an enterprise, particularly if it meant that in a major debate that might come next spring, at the end of a committee process, there would be a feeling that only a few people had spent time on it and therefore studied it and therefore were competent to speak on it.

That sort of thing would be bad, and I would agree that an approach through the select committee system does tend in that direction. Whether it's education or Ontario Hydro policy or anything like that, there is a feeling of people who are not on the committees concerned to say, "Oh well, we will let our colleagues, who have spent so much time and supposedly so much work on that, speak for us." Certainly we don't want that to happen in any discussion that deals with national unity.

When I was talking about the Premier's statement, which I say again I thought was a good one, he had another phrase that might have given pause. He said, "I am prepared to speak for Canada." I don't think Joe Clark would have thought that was an appropriate comment. I am sure he meant Canadian unity or maybe, "I am prepared to speak for unity." He can certainly speak for Ontario, but not for Canada in that connection. So, you see, I was listening and I know my colleagues were listening very carefully as well.

I would hope, however, that the time frames in the Premier's mind would support the concept that either a resolution or an instruction to a committee would be appropriate. The committee could be the committee of the whole. I think the Premier would

be rather optimistic—and he has been known to be that before; he says he is, anyway—I think he would be optimistic if he felt that a large percentage of the 125 members of the House would avail themselves of the opportunity for a rather extensive committee review; I don't think there would be that many.

If we were to establish a select committee, even making membership available to any member of the House with easy substitution as the subjects varied, we would have a chance to get into the less formal atmosphere of a committee room and have the opportunity perhaps to call various experts or people whose opinions we might want to hear.

It has been said before that John Robarts would be a classic example. Mr. Pepin might be another. I don't know whether we would want a delegation from the National Assembly or not. I know I would, but the Premier might think that's tantamount to negotiating on sovereignty-association, which he has said, and quite properly, that we should not do.

Being informed on the matter is not the same as negotiating and I believe representatives from the National Assembly would be quite willing to come up and express their views from all of the parties there, or at least representing the two points of view.

They might even be interested enough to have our committee go to Quebec and discuss the matter on their own ground, because whatever happens I personally feel there is no doubt that national unity will be maintained. I feel quite confident about that and I think all of us in here do. When this thing settles down and we continue to have the normal exchanges, if there is such a thing as normality in constitutional discussions, it will lead, if not to changes in the constitution itself at least to changes in our understanding and practice of it. When we settle down Quebec will still be, and must be, our best friend and ally in Canadian Confederation.

The Premier has heard my views on this before. I hold them very strongly. If it is a criticism I suppose it will have to stand as such. I feel that close, traditional and historic association between Quebec and Ontario, going back to Confederation, and of course before that when we were joined together much more structurally in government, has not been maintained during the last decade. There have probably been good reasons.

Interjection.

Mr. Nixon: All right, let's say the public connection.

The Premier may feel very closely allied to his opposite numbers, either in the present government of Quebec or otherwise, but I feel we have not had the kind of exchange between governments and Legislatures that has been traditional and important as a bond in Canada; and this is regrettable.

So I would just suggest to the Premier the hope that he did not have in his mind, when he was ruminating in his answer to the question of my colleague the leader of the Liberal Party today, some way of removing the discussion from committee. I felt that in the spring the decision had been made that come what may, come high water or an election, we were not going to have this thrown to a committee for the kind of review that might in fact be somehow dislocating, disconcerting, embarrassing—or counter-productive in the phrase sometimes used—in connection with Ontario's position in the national unity debate.

Really, the thing is pretty much there. We have the white paper. The opposition's position that is the position of the official legal forces for national unity in Quebec, is coming from Mr. Ryan of the Liberal Party and it will be available, we are told, within a month. We don't know about that but it is expected. Everything but the date of the referendum in the spring is established, we now have a period of time when the referendum statute in Quebec prescribes the procedure for them, but not necessarily for us.

So we know approximately when the vote is going to be taken. We don't know what we can do about it. I think we would be very unwise to intrude. However, the Premier was making noises that he certainly doesn't intend to be reluctant about expressing his views, maybe even down there; that was more or less inherent in what he had to say. His judgement will be forthcoming on that and we will see what happens.

However, we do want to be informed and we do want to have a chance to talk about it in a knowledgeable way. We want to review the white paper and the official alternative from the Liberal Party in Quebec, or let's say the federalists in Quebec. Certainly their alternatives are going to be very important to us. Not that it is a foregone conclusion they will become the government of that province, although frankly I feel in the evolution of events that will happen in the relatively near future.

If we are not worrying about the separation and the division of our country, I can assure you we will return to the former de-

bates on changes in the constitution in a much more immediate and pressing way than the rather dilettante approach we have experienced before. I am not sure that is the correct use of the word but I meant it as an adjective. In other words, we are going to be really called to the spot where we, one of the major provinces of the country, are going to have to take a lot of leadership, probably in support of many of the contentions coming from Quebec after the business of separation is settled and when we are back to the business of making Canada work. I think it is up to us to at least go into it with the concept of allying ourselves with Quebec's view in these matters.

Personally I would hope that a committee, however large it might be and whatever its terms of reference might be, will have a chance to review the alternatives, have as many of the members of the Legislature become expert as choose to do so and be prepared to make a report to the Legislature at a time which would lead to a broad, and I hope extremely important and useful debate right here. That debate, as the Premier and others have said, could be timed to have the most important impact on the forces of reason, moderation and unity in Quebec and elsewhere. I hope that can be carried out.

[4:30]

There's something just leading from that. It's a great pleasure, frankly, to have the Premier in here for the regular business of the House. This is about the way it is, with a handful of people. The Premier will remember when his predecessor used to sit in the House many hours a day, almost longer than one could imagine a person doing. I think the attendance in the House was better, I think we had the sense that in fact we were doing public business more than we do now. Actually, I think the House conducts itself rather well. I still think the hour-long question period, while it may be irritating and boring at times, is a marvellous approach to democracy. The ministers are subject to any question without notice and respond with their views in any way they choose.

Mr. T. P. Reid: Or are subject to no answers.

Mr. Nixon: Of course they have to be judged on that and they are judged; and I think that's good. The rules, in general, I think work very well on all sides.

I've become somewhat interested in the Commonwealth Parliamentary Association and never cease telling them that while I feel we may have what some people call a most unruly Legislature in Canada, I certainly don't feel in any way that the rules are unduly restrictive. A member elected here has only himself or herself to blame if he feels his/her views are not properly put. They may not be acted upon, but at least this is a parliament not an executive chamber, and I feel the rules work well.

As a House leader, I want to do everything I can to increase the interest in what goes on here. I think there are specific occasions when we can do this. I would hope that after a budget or after the speech from the throne we can arrange it so the party leaders speak, as they do in Ottawa, the very day following without this strange procedure that has developed, even in my time as leader, when there has to be a good deal of time for preparation and each leader has his own day. I think this has simply resulted in a decrease or elimination of interest because there isn't the kind of debate—the old phrase "cut and thrust" comes to mind. When the three leaders are present with their backers putting forward the views of their party on the same occasion, I think that's extremely valuable.

A thing that has also led, probably, to a decrease in interest is the very busy schedule of the Premier and the two leaders which it goes without saying makes it extremely difficult for them to listen to each other, though it may be difficult for other reasons.

The schedule on these debates are known a bit ahead. In my opinion they make it worthwhile sending a telegram to the manufacturer's association or whoever it is to say they're not going to be there because something more important has come up. I really believe that.

I think when the leaders are not here for those debates there is a tendency for the members of the House, on the government and the opposition side, to say, "We're going to stay in there and listen to our boy and give him every support we can, but aside from that there's nothing going on in there that we want to bother with." I resent that personally very, very much. I hope we can do something to set that straight.

I have some very specific things I feel have to be raised with the Premier, because they've been raised with individual ministers and they don't seem to have much to do with it. The first has to do with the disaster relief program. I have no complaint with the response of the government to the disaster in my area, and in Oxford county particularly, to the tornado in August. I felt the ministers responded in a very sensitive and effective

way. The Ontario Provincial Police were outstanding. The ambulance service worked well. Even the Minister of Correctional Services (Mr. Walker) was able to make some of his inmates available to do some work and so on. There seemed to be good co-operation.

The real complaint I have—actually, there are two of them—is I feel our approach to the government for assistance payments is unhealthy. We should not be begging the Premier or the appropriate minister that the situation is a $2 for $1, $3 for $1, or $5 for $1 situation. There ought to be a clearly understood designation procedure followed by a clear allocation of funds which can be in some sort of a revolving account so that the people who are subject to these natural disasters know they are going to get a certain degree of assistance without begging for it.

I don't like the system the way it presently is. I am not just complaining about the way it has functioned in this tornado situation we all remember from August.

The second complaint I have about that situation is the way the federal program works, or does not work. We were told by the Minister of Intergovernmental Affairs (Mr. Wells) that we haven't had a nickel of disaster relief from the federal government for 15 years. I think probably this tornado business will trigger the federal program, but that too should be more closely co-ordinated with the provincial program so it is brought into play in any of the provinces, not just the ones with small populations. There is something the matter with the overall program which I feel ought to be changed.

I have one area here that is a little sensitive for me, but I feel I should say it; I have already been reported as expressing views about the dinner given in honour of Cardinal Carter. I am not here to argue about it particularly, other than to make this point. I feel it would be easier in a situation like that, which I felt was otherwise very appropriate, if the Premier would do what his predecessor always did and be sure the opposition parties are always represented at the head table.

It is a small thing and I don't want to sound small about it, but it would make it easier for the principals in the thing to realize that the government here is not a one-party situation. While the power resides, as it must, with the government and with the party supporting the government, the system is based on a broader concept than that.

There was something about the situation that night that made me feel very uncomfortable, not just for myself but for everybody concerned. Probably the simplest way, to be sure, would be that instead of having eight cabinet ministers there would be maybe six and two people from the opposition. It may sound like a small point, but I think it is an important one.

The other problem I want to bring to the Premier's attention, one where he has a bit of a conflict of interest, is I think we are paying lawyers too much.

Hon. Mr. Davis: Not that story again?

Mr. W. Newman: Back on that old kick again, eh?

Mr. Nixon: The more I am involved with the business of the House and its committees and royal commissions, the more I am concerned about this. Quite often people in opposition can see a sort of black-and-white situation. They say what they're doing is black, and we know what white is.

I'm sorry I don't have an easy solution. It seems to me that the leaders in the legal field who are asked to advise committees, royal commissions and so on, might consider that aspect, if not totally as a public responsibility at least not an occasion when it is sort of open season on the public treasury. I am sure the leader of the government, or the minister who has to do with a certain area of review, is very unwilling to say, "We want you because you're the best in the field, but, by the way, we are only making a cut-rate payment."

I'm not sure what the alternative is, other than I personally feel, and I am constrained to say so, that if the Premier uses the phrase "copping out" with regard to Quebec, I use the phrase "ripping off" with regard to the lawyers. I really feel that when I see the bills that are presented for select committee work. I have no complaint with the quality of the work, but I just don't feel any person is worth that, even our mutual friend John Clement who is deciding how tall a cop should be downtown, at $750 a day. The small print says he has to hire his own secretary.

Mr. Mancini: I believe in short policemen.

Mr. Nixon: Maybe he hasn't got a secretary; I don't know. There will also be a junior in his firm who is going to do all this. The thing that concerns me is that there was some indication he wanted to see what they do in Abyssinia and Thailand. I think those were the places he expressed concern about.

It's a part of being a red-necked farmer member, but I am bringing this to the attention of the Premier and I will continue to do so—

Mr. Mancini: It's falling on deaf ears.

Mr. Nixon: —because there has to be an alternative to simply handing these birds blank cheques. I really feel that very strongly.

Another little aspect that comes from the same source: It has come to my attention that part of the conditions of employment for senior government personnel is a free car.

Hon. Mr. Davis: Shame.

Mr. Nixon: I don't like that either. I feel there is every justification for a person with heavy pressure on him to have a driver, and in most instances, like the Premier himself and the Leader of the Opposition and the leader of the third party, the car can be provided. But why do all the deputies and the senior people in various government agencies have to have cars provided as they trundle down from Rosedale to work? It really is just incredible.

Hon. Mr. Davis: Point of order. I don't want to speak for all deputies, but my deputy is here, and it's Etobicoke, not Rosedale.

Mr. Martel: So much for that point.

Mr. Nixon: I don't really feel we are unfair in dealing with them. To have an understanding for salary and then a little footnote at the bottom saying, "plus car of your choice within categories," I think is just crazy.

John White said, as minister, he was going to drive a little old Chevy; it was the most elaborate Chev I ever saw rolling around here.

I happen to have a copy of a speech here that I may refer to later in these estimates, but like the Premier I don't want to occupy too much time. The remarks are by W. Darcy McKeough, chairman of McKeough Sons Company Limited, entitled the Political Realities of Government Restraint.

There are a couple of phrases in here I will refer to on another occasion. Essentially, he says the real problem of government restraint is government itself. And the Premier must know that.

I tried to convince the Chairman, Management Board of Cabinet, that in the vacuum that seems to exist in the absence of Mr. McKeough, he could very well move into that. He would become a very unpopular chairman of the management board.

I don't think we should have a popular chairman of the management board. It's got to be mutually exclusive. There's nobody over there really riding herd, so it's got to be the Premier.

Hon. Mr. Davis: Just dealing with the last point first, if you think management board isn't being difficult, I would invite you to ask every single ministry of the government and they would be delighted to share with you their experiences of the moment.

I won't comment on automobiles, except to make one point. If the House leader for the Liberal Party, the member for Brant-Oxford-Norfolk, were to look carefully at what deputy ministers were being paid, related to the federal government, for instance, or to the private sector, which is not totally valid but has some validity, I think he would find that in terms of total compensation the senior personnel in this government, on whom we are quite dependent, are not being paid an exorbitant amount of money. I think most would argue that it is probably below market, if there is a market that can be determined. We've studied this very carefully.

There's no question what the automobile is worth per year. I guess if you were to calculate an automobile as being worth, say, $10,000 and money worth 15 per cent et cetera, there is a benefit. No argument about that. But I think if the member relates it to their total compensation package, my guess is you will find that our senior deputies are not overpaid. I say that very advisedly because I know the members opposite wouldn't want to see them underpaid. They want to see them properly paid. I think it would be hard to argue that they are receiving more than they are worth. I really say that quite sincerely.

I won't deal with the dinner, if the member for Brant-Oxford-Norfolk won't object strenuously. I read some observations from some members in the press. There are some things that might be said, but I think they are perhaps better unsaid. Members opposite have heard themselves, and unless they want to explore it further I don't intend to do so, unless others wish me to say something more about it. I would be quite prepared to, but unless members really want it, I think perhaps we should say people have said what they felt and let it go at that. If the members are not content with that I would be delighted to take them through the whole history.

[4:45]

With respect to the disaster relief program, the member pointed out that his concern did not relate to the specifics of the one that we experienced this past summer but sort of a general policy.

The problem I find is that, at one moment, he wants a very tough chairman of management board. I guess I'm rather less than a tough Premier when it comes to things like disasters. I went down there and, frankly, when the formula was in the back

of my mind and people said to me, "Can you enrich it" I took one look at the devastation there, and although I didn't put a figure on it, I said "yes." I don't think the member for Brant-Oxford-Norfolk would want me to have been like a chairman of management board saying, "No, we've got to restrain it. We've got to be tough," et cetera.

Mr. T. P. Reid: The Premier is mixing apples and oranges.

Hon. Mr. Davis: Oh, no. So many of these decisions do relate to particular situations. All I'm saying is the frustrations we have felt with the disaster relief fund is trying to find disasters that are comparable. We're not out looking for disasters.

Mr. Mancini: There's a disaster right over there.

Hon. Mr. Davis: The member is provoking me.

Mr. Mancini: It's way over there on that side.

Hon. Mr. Davis: I may be provoked into saying something that might get the members upset.

Mr. T. P. Reid: The Premier will never upset us but he might leave us here until 10:30.

Hon. Mr. Davis: No, no. I'm told eight o'clock; nine o'clock at the latest.

All I'm saying is that if the members opposite have any suggestions, I know the minister would be delighted to receive them. I really don't know that you'll ever find a formula that will deal with each individual situation. I don't like ad hockery if you can avoid it, but then I wouldn't want to be locked into a formula that wouldn't work in some situations either.

On the question of the first point the member raised, I just look at my statement, "I will speak for Canada." I have to look at page nine. I am not speaking for Canada in the context of the government of Canada. It might be better phrased as, "I will speak in support of Canada," or something of that nature. It really related to the paragraph preceding it. I wanted to point that out. I'm delighted the member finds, by and large, he can support what was said.

The term "cop out" is used by those who are of a more contemporary age. Members have heard it used around their houses; I've heard it around mine. It is, perhaps, a more descriptive word. It really says what is intended to be said. It is a little stronger than what I normally use.

I won't comment any further. I did comment to the Leader of the Opposition this afternoon on the question of how we might discuss this further. I think we can give that some further thought.

With respect to the debates in the House, I recall how it used to be, partially because sessions were shorter and estimates didn't take as much of our time. I'm not saying that they take too long. I guess we always look back and feel things were different. I'm not sure if you were to take the numbers, et cetera, you would find that the situation was that much different, but it appeared to be.

I think part of the reason was that two or three significant debates during the session, the throne debate and the budget debate, were held on one day. Some members are much too young to remember this perhaps. We moved away from that. I don't think it was at the initiative of the government. I think it was really due to television. We wanted to give each opposition leader a day because we did some of it live, if you recall.

I think we moved to say if a throne speech was on Tuesday, the movers and seconders would then be on on the Thursday and the Leader of the Opposition would go on Friday. I think the feeling was that Friday wasn't a great day; they wanted the weekend to prepare. So it was moved to the Monday and then the leader of the third party moved to Tuesday.

I would have no negative reaction at all to the concept of trying to condense this process. I guess the problem would be in getting the opposition leaders to telescope their observations into a shorter period of time so we could deal with it all in one day and, maybe, even have a vote on that day. I don't know. I have no quarrel with it because I think the House leader for the Liberal Party is correct. On those occasions where everybody is participating, they are stimulating. They are, from my standpoint, kind of the fun times in the House and if the members can find some better way of dealing with this, I would be quite agreeable to consider it.

I was delighted to hear the House leader of the Liberal Party say that he sort of understands the cut and thrust of debate here in the House and that having been part of it for a number of years he doesn't object that strenuously to it.

Just to go back to your leader on Friday; I really thought very carefully about some of the things he observed. I think we have to understand about politics that, much as we maybe don't like it on some occasions, it is an adversary system; it is not a question of

sort of running a government by consensus. It is not a question of the leaders of the three parties sitting down for breakfast and sorting out what the government is going to do next day.

Mr. Mancini: That would be very interesting.

Hon. Mr. Davis: That would be very interesting, but I have got news for you, it wouldn't work.

Mr. Nixon: I thought you decided at breakfast every Tuesday.

Hon. Mr. Davis: I decide what I am going to have for breakfast every Tuesday, there is no question about that. No question about that whatsoever.

Mr. Conway: The caucus is still going to figure out where it belongs.

Mr. Nixon: It is not asked to breakfast very often.

Hon. Mr. Davis: Listen, I am not asked to breakfast very often myself. As a matter of fact, Mr. Chairman, I usually have it at home, most days of the week. Do you want the menu? I'll share it with you too. I've shocked you. If you ask me, I try to answer.

Mr. T. P. Reid: And they say vaudeville is dead.

Hon. Mr. Davis: I have something I could say to you but I won't.

Mr. T. P. Reid: Johnny Carson should be worried.

Hon. Mr. Davis: Mr. Chairman, I thank the House leader of the Liberal Party for his observations. I hope I have touched on all those matters he raised. If there is anything I have neglected, I am sure he will find some occasion to remind me and I will try to respond at that time.

Mr. Martel: I want to speak to the Premier on three different topics.

First, I want to talk about the rules and the private members' hour. As one of those who worked on the select committee, I really object to what is now happening.

Private members' hour is supposedly for the private members to have their say on some piece of legislation they'd like to see come about. I can understand the government choosing to veto when there's a private bill that's totally opposed to government policy, but I've reached a bit of frustration because it's no longer a private members' hour with the government party. When we have tried to discuss private members' hour at our caucus, fortunately our chairman has said, "No, this is the private members' hour."

I can understand the government having to do it a little differently, but not every Thursday. The former House leader encouraged us to move to resolutions, which the government doesn't have to act on. Even those are being vetoed. They are slowly but surely destroying the Thursday afternoon debates. I'm sure both opposition parties in the House now feel that maybe we should start to block or veto. We attempt not to; we prefer to see it go to a vote.

I can understand if it's something directly opposed to government policy, but when I think back to the bill of the member for Cambridge on the pituitary gland—

Mr. Samis: A good bill, too.

Mr. Martel: It was vetoed.

Mr. Mancini: Which one was that?

Mr. Martel: The bill on the pituitary gland.

Two days later the government introduced it. It had nothing to do with Conservative policy. That's chintzy. But it's even worse than that now. Even the resolutions are being vetoed.

For example, a resolution moved by the member for Timiskaming (Mr. Havrot) which called for the retention of crown land for lease purposes only. There have been more statements—and I documented them this spring—by this government that it was going to keep crown land for lease. I happen to agree with that policy. The very day we voted on it, half the cabinet voted for it. You make such a sham of it. The very next day you have government deciding it is going to sell crown land on some pretext that it is going to increase the development of the cottage industry in northern Ontario.

That is a lot of nonsense. As fast as crown land was coming up for lease, it was being taken up. In Sudbury a couple of years ago in the last auction before the sale this year, there were 500 people who applied for 41 lots to lease. The contradiction is that one day you are voting on a resolution of one of your own colleagues and supporting it and the next day you are introducing a different policy. The dates are immaterial. I just use that as an example so that I won't be held to the very next day.

It makes a mockery of the private members' hour. We spent a lot of time on that select committee trying to make a meaningful role for back-benchers. You can't make a mockery of it. If you are going to continue the present route, then I suggest we should abolish the private members' hour, as much as I hate to. If items are going to be constantly vetoed and everything, then I suggest

we cancel it out. I have listened to members from all sides of the House who think it has become a farce. As I have said, I can understand the government's moving against policy that is totally against its own, but beyond that, surely if it is private members' hour we shouldn't be skewering it every Thursday. I ask the Premier to come in and watch the votes.

Hon. Mr. Davis: I have something I would like to say on that subject.

Mr. Martel: Fine. I hope the Premier responds. I feel strongly about it. If there is a way we have to improve it, then I am prepared to see it improved. If it continues on the route it is going now, we will destroy the private members' hour and that is the last thing I want.

The other thing I have to say on the rules is about the budget debate. If you think the throne speech is bad, the budget stretches until Christmas.

We had the former Treasurer come before the select committee. He felt we should condense it into seven or eight days, vote and get it over with. It becomes what I like to call polyfill. On a Thursday night or a Tuesday night if you haven't got something, you can put a speaker up, but it is totally meaningless. Sometime in December we vote on it. If we want it to have some impact, we should condense it into four or five days, make it meaty and get to the vote or do away with it.

The other thing I want to talk about is the Premier's budget.

Hon. Mr. Davis: It's modest.

Mr. Martel: Yes. I don't object to the budget. I say that quite frankly to the Premier. The reason I bring it to the attention of the Premier is that I want to tell him that trying to discuss this matter with the Board of Internal Economy is absolute frustration. As the Premier knows, there are several budgets in the legislative assembly the way this place works. For example, we get so much per member to provide staff and we get so much to provide research.

The Premier gets so much for his office, and I agree that he needs it. I don't question it. He has to go through management board like everyone else, if he needs an increase. I know that his increase last year was greater than what my leader got. It was $112,000 or something like that. There is a third formula which I offer to the Premier, and there should be, but not the existing one.

As it now stands, the Leader of the Opposition and the leader of the third party get the funding for their offices in a crazy, convoluted way. Again, I use a rough figure because it breaks down to a little less. They get $7,500 per member times the number of members, plus 40 per cent. When the House leader for the Liberal Party and I tried to get an increase this year, we were virtually stymied.

For the Liberals, it comes to about $100,000 for the Leader of the Opposition's staff. For my leader, it comes to less than $100,000. In fact, it comes to about $97,000 and change. I can't make a total comparison between the offices and I don't intend even to try to make a comparison as to what the Premier's responsibilities are and the leader of the official opposition and my leader. One can't make that comparison. I would be foolish to stand in my place and attempt to do so.

[5:00]

However, there are some similarities. The Premier goes out as Premier. He comes to Sudbury, he comes as Premier. He takes the occasion to be a little political. I know this and that's fine. I understand it's an adversary system. I'm not so naive as to believe that it's not.

Mr. Conway: Charlie McCrea was the last Tory out of the Sudbury basin.

Mr. Martel: The Premier must attend many different types of functions. He has many different types of responsibilities that my leader or the Leader of the Opposition don't have. I understand that. But at the same time there are similar things they do. All I am suggesting to the Premier is the foolishness that goes on with the Board of Internal Economy has to end.

We get less than $100,0000. Does the Premier know what is happening? We have to take from the caucus appropriation. In other words, we have to deprive the caucus of some of the $7,500 per member we get; roughly, $70,000. About $70,000 this year, in order to give my leader adequate staff.

If the Premier took the same 27 per cent I have to take from our budget to finance his needs as Premier, it would be crazy. He would have a budget of about $175,000. If he had to take from his colleagues what we have to take from my caucus, then he would take about $110,000 to $115,000 out of their budget for caucus functions in order to meet the need. That would only give him a budget of $280,000 or thereabouts.

The figures are really immaterial. The point is, we have to take from the caucus appropriation to provide staff for my leader. That doesn't happen over on that side of the House and it shouldn't. The Premier needs staff to do the job he has been elected to do.

Surely in a democratic process the functions of the opposition parties are vital to good government. Over here there should be a third budget, somehow controlled. I really don't get that hung up on how it is done, provided it is done.

We go to the Board of Internal Economy and the House leader nods and the rest of the Conservative members vote that way. It is as simple as that. We get arguments that some of the roles are different. I understand the roles are different. It's argued that there never used to be even the 40 per cent of the caucus allocation. I understand that. But I also understand that the Premier has a budget to meet his needs.

Surely it isn't asking the Premier too much to indicate to his representative on the Board of Internal Economy that the Leader of the Opposition and the leader of the third party need an adequate budget to meet their staffing needs. It should not come out of the Premier's budget now, why should ours have to?

I look back at the travel times of the Premier a couple of years ago. I didn't bother looking lately. His office I think, spent $69,000. I don't dispute he must do that in his capacity as Premier and as leader of his party. What I do dispute though is we don't have an allocation here for the leader of the official opposition or the leader of the third party. There is no allowance for that, because there is no budget except the silly little formula that we have. I say to the Premier that surely in all fairness, that type of formula which sees us taking funds from caucus to provide the leader's needs, is ridiculous.

There must be a formula; Ottawa has one. I happened to check what Ottawa had to ensure that there was adequate—

Mr. Conway: Didn't Jerome invite you to breakfast?

Mr. Martel: No, I'm afraid not. But even before the last election, the leader of the Conservative Party in Ottawa had a staff of 37, I believe. He could go to the Board of Internal Economy and, based on need, make a request for additional staff. The leader of the New Democratic Party had a staff of 15. He could go and make a request, but under our formula, you are held. It's such a mealy mouthed point of view.

Let me just take a couple of examples, and I don't want to name personalities so I am going to be very vague, very deliberately.

Mr. Conway: I bet we could guess.

Mr. Martel: Two or three of the jobs in the Premier's office would wipe out my leader's staff allocation. I am making that point very deliberately. He can take any number, because the Premier's office was good enough to supply me with those figures and I indicated I would not make them public. It's not for me to do that.

Well, we have to hire competence for our leader as well, and when you hire competence, you pay a price. If you are going to hire competent people, you have to pay. I am not comparing them or coming close to what the Premier is paying, because his people have different requirements—we would not, after three and a half salaries, have any funds left.

That's where we start to dip into the caucus appropriation. I don't think it's fair that the funding provided by the Board of Internal Economy at the present time allows us to hire about three people. It's less than $100,000 for the leader's complex. I just find that trying to discuss this before the Board of Internal Economy is a virtual impossibility. It is completely impossible.

I ask the Premier, because I think he believes in the democratic process and the role of the opposition parties is fundamental, surely there should be funding adequate to meet the needs without drawing from the caucus appropriation? I know the Premier wouldn't want to take $110,000, if he had to take the same 27 per cent I do from his caucus to staff his office. It doesn't work that way over there and surely, in fairness, it shouldn't work that way over here. I ask the Premier to give that very careful consideration.

I have been at this now for quite some time and I have to admit I haven't been able to get to first base with the board. They don't even want to talk about it in terms of fairness. I documented this very very carefully to the board, spent a considerable amount of time on it and it didn't even dent. The nod went out and that was the end of the matter. I feel pretty frustrated by it.

Mr. Conway: Makes Bud Gregory sound very effective.

Mr. Martel: The other thing I want to talk to the Premier about briefly is multinationals, because I happened to spend four years on the select committee the Premier appointed. I want to tell you after 21 reports, the only thing that's really—well, I shouldn't say the only thing, there were a couple of areas—the 50 per cent on the board of directors was a cop-out; it really doesn't change a thing. It's much further, by the way, than your colleagues over there were prepared to go because they would only go 20 per cent.

There are 21 reports with some major recommendations that are as basic today as they were when you established that select committee in 1971. It ran until 1975. The only trouble is the public isn't clamouring and we have allowed it to take second seat to other things. The problems are as fundamental today as they were then. I suspect in some areas they are even worse.

A couple of weeks ago, I put a question to the Premier on the financial statement of Hanna Mining and I asked the Premier if he would answer some of those questions. He indicated to me the Minister of Labour (Mr. Elgie) was going to answer them and the Minister of Labour didn't know he was supposed to answer and I am still waiting for the answers.

Hon. Mr. Davis: I have got them.

Mr. Martel: You have got them? Good. You will have an opportunity—I won't be that much longer. First of all, let me say I appreciate the work. There was some effort by the government and in particular the Minister of Labour to help resolve the problem as it pertained to one small municipality with a work force of only 250 individuals. You are going to get your advice now: I appreciate the fact the Premier got involved and I appreciate that he met with certain companies and I appreciate that the Minister of Labour took me to Cleveland with him where we talked to the president of Hanna Mining and tried to convince him he shouldn't close.

Mr. Conway: Who is the real Minister of Labour?

Mr. Martel: I think the real Minister of Labour is over there. What disturbed me is that I thought the president of Hanna Mining thought he was talking to country bumpkins when he spoke to us. I really do.

Mr. T. P. Reid: You and the Minister of Labour together are a good pair—

Mr. Martel: That might be so, but when I raised with Mr. Anderson the point that there seemed to be a demand for nickel at that time, his response to us was, "There is a big strike at Inco, and that is what is creating the demand."

Those of us who know Inco knew they had a 13-month stockpile. The fact that Inco was on strike didn't affect the market one jot. They were supplying all that was necessary. They couldn't alter their position on Capreol. They couldn't keep it open, they said. They had to let it go for a variety of reasons. The reason that was announced by the government, of course, was the glut in the United States. There was so much in the United States that they could sell it.

I want to quote to the Premier again, just to refresh his memory, from a report signed by Anderson, the same president I mentioned earlier. In the report to the shareholders on August 3, 1979, he makes the following comments, "Demand for iron-ore pellets in North America remains strong and four Hanna-managed domestic pellet projects operated at capacity throughout this first half."

He goes on to say, "The sales outlook remains good for iron-ore pellets in North America for the balance of the year." Then he indicates in the statement that they increased imports from Brazil in the first six months by 10 per cent. In that six months that increase was equivalent to what was produced by National Steel in Capreol.

The argument that will be coming forward, of course, is on the type of pellets. I have spoken to the Minister of Labour about this and we know that National Steel, for an investment of $688,000 could have brought the silicate dust count down to about 5.5. I have it in writing from two of the officials that they could have brought it down to 5.5, and that for about $2 million they could have got it down to about three. The argument that was given to the Minister of Labour, was that it was largely silica and the Q factor. My understanding is that for another small investment of a couple of million they could have improved the Q factor, which would have been sufficient to keep the mines operational.

I remind you that this little operation last year made $6 million profit with 250 employees. I managed to get hold of Hanna's book on silicate counts. Although they bemoan the silica dust from Moose Mountain or National Steel, they have an operation in the United States called Belmont, where the silica count is 9.24. That is significantly greater than the 8.01 at National Steel in Capreol. We know that they could reduce Moose Mountain pellets to a silica count of 5.5 for about $688,000, which is the figure I have and that if they wanted to get it down to about three, they could do it for an investment of a couple of million.

[5:15]

I find it strange that they can continue to operate mines in the United States with silicate counts at 9.25, or that they can increase their importation from South America. It's part of the con game that goes on with the multinationals that the government, whether the Premier likes it or not, has to get involved in because the other

factor in closing National Steel, of course, is that the American federal government wanted a mine mined out—an underground operation—so they could store oil.

What's even more significant though is a figure I got the other day from the Minister of Natural Resources (Mr. Auld) and I say to the Premier that he can't ignore it any longer. We called over to see how much we were importing, how much we were utilizing in Ontario. According to the Ministry of Natural Resources, one of the policy analysts over there indicated to us, and I'm quoting, "Ontario iron ore mines and mills are now in a position to supply only 42 per cent of the net demand for iron-ore pellets of Ontario's three integrated steel companies: Stelco, Dofasco, and Algoma Steel."

We've had four or five iron mines close down in the last year. Atikokan has Caland and Steep Rock. The men up there maintain there's still a good deal there. There's St. Josephs; that's some distance.

Mr. T. P. Reid: Elliot Lake.

Mr. Martel: They closed National Steel in Capreol and yet in Ontario we're only meeting 42 per cent of the needs of the steel companies. I got that from the Ministry of Natural Resources. It says, "The total yearly requirement of the three companies in 1980 will amount to approximately 15 million short tons. The Ontario mines remaining in production have a capacity of 6,270,000 short tons."

If there's a place that the Premier has to get involved it is there in northern Ontario because if we're meeting only 42 per cent of the demand of Algoma, Dofasco and Stelco there's something wrong, particularly when we have seen four or five iron-ore mines close down this past year.

As I say with respect to National Steel, we can improve the Q factor, we can improve the silica count for a small investment. Just from last year alone their profits were much higher than that investment which leads to the whole problem of the mining sector.

I well recall the signatures on the select committee report on mining. I always chuckle when we're being chastised by the Premier, "You socialists take over everything," but his colleagues, the former Minister of Agriculture and Food and the Minister of Correctional Services signed a document saying, "We should be in a position to take up to 50 per cent equity in all mineral developments." They had spent a couple of years on that select committee—

Hon. Mr. Davis: But you want 100 per cent.

Mr. Martel: I put that in the report. I don't hide from that fact, because Capreol wouldn't happen.

Two hundred and fifty men have moved out. Some of them are going to lose their homes because they can't sell them; they're working in southern Ontario and can't afford to buy another. And, this outfit wants to come back three years from now. Those workers can't even rent their homes.

The worst part of it is if they rent and can't sell, if they eventually sell and have bought a home in southern Ontario they are going to have to pay capital gains tax. I've checked that out. I've checked it with the Minister of Revenue (Mr. Maeck) here and with Ottawa. They have one year. If they can get rid of it within the year, fine. If they hold it for more than a year they will have to pay capital gains. They're not trying to make money with their house.

But it's the attitude of companies. One can move in southern Ontario, difficult as it might be to find a job in another municipality, but in those one-industry towns a person can't. One has to relocate. You can't leave your family in Capreol, work for Dofasco down here and go home every weekend; it is just impossible. But that is what we're asking those fellows to do. And this company is going to come back two or three years from now and open the door.

You see, multinationals just don't care. In Brazil they increased by 10 per cent for six months, which is equivalent to what we produced in a year. It leads me to take it one step further, Mr. Premier. It just doesn't tie in with National Steel. It ties in with what you said during the Inco layoffs.

I well recall several important things which have never been acted on. I hope you will still act on one. I know my friend from Elliot Lake will be very unhappy with me. The Treasurer (Mr. F. S. Miller) at that time was the Minister of Natural Resources and he talked in terms of a rapid transit system to Elliot Lake during the layoffs at Inco. It makes sense.

I don't want to downgrade Elliot Lake's need, but rather than plough a lot of money into infrastructure, more than is already there with all of those men who are just going to relocate from Sudbury to Elliot Lake, we should be negotiating with Canadian Pacific Railways to try to upgrade that rail bed and move those miners living in Sudbury, who were laid off at Falconbridge and Inco, to Elliot Lake by rapid transit in an hour or an hour and 15 minutes.

The technology is there, but once again we are making a key mistake always made in northern Ontario. We plough great amounts of money into new townsites rather than running rapid transit for 50 or 60 miles and retaining one functional town site.

We all know that Elliot Lake, just as any mining community, will die some day. I don't know how long it will take, but it is inevitable. I am not saying we should destroy what's there or that you shouldn't put in sewers or water; I am not saying any of those things. I am saying you have a lot of men laid off at Inco who now commute. I am sure my friend from Manitoulin will agree that many of them can't even find a place to rent.

It was this government that suggested rapid transit. We agreed and encouraged the government to consider it before they put a lot more in infrastructure at Elliot Lake, because we knew it was going to die some day. We urged them to move to rapid transit, not just because it affects Elliot Lake but because it affects every new development.

If you have a townsite within 40 or 50 miles, don't put another town beside the mine site. Move in with rapid transit and move the workers back and forth. I suspect it takes much longer to get across Toronto at times by automobile than it would take to get to some of those communities.

The government mentioned it, but it hasn't done a thing about it. The layoffs have occurred and the men are moving out of Sudbury when they could have stayed there and kept Sudbury in a much healthier financial position. Many small businessmen, apartment owners and so on, have had some difficulty because people have to get out; they can't commute the distance by car. But we haven't moved one jot, which brings me to the other point.

The Premier appointed a cabinet committee and it came up empty-handed. It was interesting when I raised it with the Treasurer, who was formerly in charge; he didn't even know who had taken his place. That gives me an indication of how frequently that cabinet committee has met; very infrequently. And the problems of one-industry towns still go by the board.

I remember the former minister, now the Minister of Northern Affairs (Mr. Bernier), getting up and saying, "Well, we in northern Ontario are tough. We've overcome adversity before, and we will overcome adversity again."

I well recall reading Saul Alinsky, who is a bit of a radical from the United States. Isn't it funny how we're tough enough to endure the sufferings of others? You can come up and spout platitudes that Sudbury is tough and Sudbury will endure and they've been through it before. But what are you doing about it? What are we doing to prevent those one-industry towns? What are we doing to prevent them from going under?

The only people who lose, Mr. Premier, are the working people, the guys in my town. The community is suffering because they haven't got the funds. They had built a second arena and they haven't got the funds to operate those things now. The school is suffering a bit because we expanded the school to meet the needs of the industry. They have moved away for three years.

We can't tolerate that. Forgetting ideology, we just can't tolerate that in our type of society—a corporation that is so callous, it says, "We'll just move out for three years and then we'll come back."

We lose; the workers lose; the community loses. The people who don't lose are the mining companies. I remember when I raised this with the Premier, he said, "It has to be attractive enough." They made $6 million last year, with a work force of 250 workers. They made $6 million profit. Is that attractive enough?

What is the price we demand so we don't have these industries that just uproot families? Many of those men have been with that company 22 and 23 years and they're having great difficulty in finding a job, but the company is going to come back three years from now.

I just find the whole thing offensive, not simply because I represent that community, but because I've seen it in a number of communities in northern Ontario, as have the Premier's colleagues. I just don't think it can be tolerated.

One of the ways we can avoid it is to move people back and forth, rather than build new communities, where there is only going to be a one-industry townsite. Sudbury, with its university and its community college and other things, will still be there, even when the nickel runs out, because it has something ongoing, but some of those other communities don't.

The final point I want to make—going back again to the two select committees—is the select committee the Premier introduced on economic and cultural nationalism recommended, as one of its points on mining, that the government of Ontario work to establish the development of mining equipment in this province.

The Inco select committee during the layoff said exactly the same thing. The trade

deficit annually is over $1 billion. I have encouraged 2001 to look seriously at this, and they are. We invited Jarvis Clark Company Limited, from North Bay, probably one of the most successful Canadian operations in that field, to a recent meeting. In fact, I give them credit. They've done a super job. There are now at least 300 jobs in North Bay.

Interestingly enough, they went to the federal government to get a second loan to expand. Do you know what the federal government said? "You're too successful." We're looking for jobs in northern Ontario and here's a company that now produces mining equipment. Everybody thought, and certainly the presidents of Falconbridge and Inco when we had them before the select committee said, "If you produce mining equipment in northern Ontario, it's too cyclical, it's like the mining industry, you'll go down the drain. That's why we're not supportive of it, although we'll help."

We asked Jarvis Clark about that, and they said: "It was difficult. Almost all our eggs were in one basket, but we went out to the foreign market and we captured a major chunk of it."

They get successful, they go to expand; they go to the federal government for a loan and the federal government says, "No, you're too successful."

I want to tell you it boggles the mind when I hear all of these nitwits who come up to northern Ontario and tell us, "We're all for secondary industry here." When we've got one that's viable and it wants to expand, and it's in the field we've been advocating for years—mining equipment, because we've got the greatest testing beds in the world and we also produce, they turn it down. We're the third largest producer. We're also the greatest importer of mining technology in the world, of mining equipment. The greatest. There isn't another country that compares with us, despite the fact we have the internal market to develop.

[5:30]

We've had two select committee reports, Mr. Premier. We have now interested 2001 to look into it, and they have asked Jarvis Clark to sit with them to help them advise. I've been pushing this for almost a year now. We have presented some material to them.

I'm hopeful that because we do have a large mining capacity, the government in its wisdom will do something other than attend an exhibition the day after tomorrow in Sudbury. I hope, based on two select committee reports, they will start to look seriously at providing the leadership and at providing tax concessions and loans that will see a development much broader than that of Jarvis Clark. We should continue to move ahead in that field as it's a natural for Ontario. We should not fail to grab the bull by the horns on this one and move ahead. We've been advocating this in two select committees since 1974.

It seems to me we're missing an important find. I'm not saying the government has to get involved, although this is what the select committee said. The report was signed by the Premier's colleagues. It said that if no one else wanted to get involved, the demand is so great and the potential is so great that the government should get involved foursquare. We on the 2001 committee invited Jarvis Clark to come individually, although there is a seminar up in November. The reason for inviting them was that we're inviting many of the American firms to the seminar in November. I wanted to talk to someone who was successful and did it on his own hook before all the American companies tell me why they won't locate in Ontario.

Hon. Mr. Davis: If one of them says it will, will the member say yes?

Mr. Martel: Yes, but I would prefer it to be Canadian-owned.

Hon. Mr. Davis: Even if it's a multinational?

Mr. Martel: I have some reluctance, if it's Ingersol Rand.

Hon. Mr. Davis: What is a multinational? Is that a company with more than one office?

Mr. Martel: No. It's a company with more than one head that locates nowhere and has no allegiance to any one except the corporate board.

Hon. Mr. Davis: That's pretty broad.

Mr. Martel: It might be, but that's the way they function. I spent four years listening to people tell us about multinationals and so did the Premier's colleague. In fact, that's why some of them signed a document calling for a 50 per cent takeover in the mining industry.

Mr. Conway: I suspect there were other reasons.

Mr. Martel: No, four of them are now in the cabinet. They can't hide from that any longer, but they saw it as a real problem.

Mr. Conway: That's the best hiding place I can think of.

Mr. Martel: If you were going to look to a field in Canada to develop, it's got to be mining equipment because there's an internal market sufficiently large for a domestic firm.

It's also got the potential for research and development. If you locate it in Sudbury, it's got a mining course that should be the focal point for Laurentian University. It's got the possibility of getting the research and development. It's got the potential of selling worldwide.

Jarvis Clark has proven that it can be done. That's why I'd like to see it Canadian. That's why I'd like to see this government bring certain people together. I don't care who they are. There's a lot of wealth to move in that field. It's a natural for Ontario and for northern Ontario, I say to the Premier. That's why, after five years, it's the first time I've engaged the Premier on this particular subject. I spent four years on that select committee. There's a lot in their reports that we haven't acted on and it's time that the government of Ontario did, because the problems for which it established that committee are as great today as they were then.

Hon. Mr. Davis: Mr. Chairman, if I may, I will respond briefly for 26 minutes to the member for Sudbury, although I won't take that long because the member for Rainy River probably wants to talk about polls. He knows exactly the response he's going to be getting.

Mr. T. P. Reid: My friend from Sudbury East knows the response he will get as well.

Hon. Mr. Davis: I will go in reverse order. The concern the member for Sudbury East has raised with respect to one-industry communities or the question of our mining communities is a very valid concern and is one that we've been attempting to help resolve—the member for Sudbury East can say so far with limited success. I think some progress has been made and I'm optimistic we can make further progress.

I was in at the inception of the 2001 committee and I have been encouraged, as I am sure the member has, with the initiatives they have taken to date. You will have no trouble persuading me, Mr. Chairman, as to the desirability of a mining equipment operation in Ontario. I would prefer it be Canadian. But I would say to the member for Sudbury East that if one of the multinationals which might only have two headquarters were to take an interest in this field, I know I could count on his support saying, "I'll forget about multinationals in this particular instance." I think you would, wouldn't you?

Mr. Martel: I am not sure. We need research and development here.

Hon. Mr. Davis: I am sure. I am sure, but I am just asking. Now if it were to happen, you might just sort of set aside that concern for the time being. I can assure the member for Sudbury East that we will continue to pursue these matters.

I am delighted to hear about this gathering they are having; I have heard about the invitation extended to a number of other companies to come up and share their point of view. Perhaps something tangible will emerge. Certainly from our standpoint anyway, if we can be helpful, we will do so because we are as anxious as you are.

I have some material here on the Moose Mountain mine. I have one, two, three, four, five, six paragraphs. I really want to digest them before I read them all to you, because I want you to get the true story.

I want to digest the material that relates to the Moose Mountain mine. There is some material here that won't solve your problem but it does go a little further than what you have suggested here in the House. I will get this in a way that is intelligible to me, which means that you will have no trouble whatsoever in dealing with it. I might still have trouble but you wouldn't.

I can't deal with the budget, as we say, in legal terms—and that is one matter on which I didn't reply to the member for Brant-Oxford-Norfolk (Mr. Nixon), who is concerned about the extent of legal fees. I really had intended, Mr. Chairman, to ask him to take it up with the member for Kitchener (Mr. Breithaupt) and others within his own caucus. I know nothing about legal fees any more as you don't sir.

The member for Ottawa East (Mr. Roy) probably is the most updated one on those matters.

However, with respect to the budget of the Premier's office, I will just speak for those who work so hard. They will be delighted to hear the member for Sudbury say that we need all that staff; that they are doing a worthwhile job in the public interest, and you have no quarrel with it.

Mr. Chairman, I have had communications with the member for Sudbury East as it relates to not the caucus office but his leader's office and the discharge of his particular responsibilities. I don't pretend to be knowledgeable in this but I am prepared to refer it back, as we go through this process, to the people involved on the Board of Internal Economy.

I just point out that there are certain distinctions. We all do political things. It is always difficult to make a judgement as to what is public business and what is partisan political business.

I am sure, as with the leader of your own party, our party assists in terms of the political activities that I carry on as leader of our party as distinct from those expenditures which are in the estimates as head of government. I would assume that your party has the same arrangement with your leader as I know the Liberal Party does.

Now to what extent, as a person in the process, your leader is not receiving enough support, as distinct from his responsibility as leader of your party, to go out and be modestly critical of the great government we experience or enjoy in this province and those things, are very tough judgements. I would think it would be tough for the Board of Internal Economy to make these judgements, but certainly I will raise them.

With respect to the question of the budget debate, from the government's perspective if some decision were made to shorten the time frame of the budget debate, we would be prepared, within the rules of the committee or whatever, to discuss this.

Once again, you go back a little in history. The member for Sudbury East has been here for a number of years. I think it is fair to state that the budget debate wasn't used just for a filler. I think it was used really for members to express general concerns about government policy, but also to deal with local constituency matters and for the member for Wellington South (Mr. Worton)—great, great riding—to extol the virtues of the great royal city of Guelph. To take that away from the members would be unfortunate.

So how do you do it? Whether you have a more restricted budget debate and then have periods set aside for members, perhaps in some order by way of party, to speak on some issues—perhaps that could be arranged. I have no hang-ups on it. I say to the honourable members, if they see some better way of doing this, I am quite prepared to have our members participate in this sort of discussion.

I come around to the private members' hour. I have some figures here. The government members have used the veto; that is part of the procedure. Whether it is understood across the House or not, I had made a deliberate policy of not involving myself in the private members' hour, either to speak or to vote.

Mr. Cassidy: You bring out the torpedoes after the vote is taken.

Hon. Mr. Davis: No, I really don't. I should explain to the leader of the New Democratic Party, it is a little easier for you in terms of your perception of this than it is for me. You see, it is great for people in this House to say, "Let's have a free discussion, let's everybody express a point of view." The public sometimes doesn't understand the subtleties between a private member's resolution and bill and a government bill. They really don't.

I am not being critical of the media or anyone else, but when the average person in Brampton for instance reads, "House votes in favour of a resolution to do such and such," they don't know that resolution may never be acted upon, or that the purpose of the discussion here was to express points of view. It creates an expectation which may not emerge and which may be, on careful reflection, not the kind of policy the government wishes to follow.

You can tell me the number of vetoes but I think I can also trace for you the number of resolutions and private members' bills that do have very significant financial implications inherent in them. You can't introduce a bill like some of your colleagues have done, with a financial impact in terms of policy, without expecting some sort of reaction.

Mr. Martel: That's what I said—as long as it wasn't contrary to government policy.

Hon. Mr. Davis: Yes, I know, but there are a number that have. I think if you go through it carefully, you will perhaps find the subject matter, if I can phrase it this way—I don't say they aren't valid subjects, don't misunderstand me, but in terms of trying to follow the spirit of the private members' hour these really reflect, shall we say, not a party policy, but a private member's particular interest. I think I could argue fairly effectively that a number of resolutions and a number of private members' bills really relate to the rather comprehensive policy you may have in some subject areas.

I don't quarrel with that, except I don't think you can quarrel with the necessity for us to either express a point of view, or, if there are financial implications inherent in it, to resort to those things available to us under the rules.

If you look objectively, and it is not easy for any of us, at the subject matter of a lot of these discussions, you will find they do have financial implications, sometimes very significant ones. What was the one on special education? If one were to have pursued that, no question, we are talking in the millions and millions of dollars. That is not its function, at least it wasn't mine when I read the report and had discussions. That was never, from my understanding at least, the intent of the private members' hour. It was really to deal with those matters that didn't have

a significant impact on finance. The member for Ottawa Centre can shake his head.

Mr. Cassidy: You never like to share anything with the Legislature, in spite of—

Hon. Mr. Davis: I am trying to conduct this in a constructive—not a friendly way, but at least in a constructive sort of way.

[5:45]

Can I say something to you? You don't share with us any of the problems we have as a government. If we take a policy initiative with which members on that side of the House may or may not quietly agree and where we get flak, I don't see the leader of the third party or the Leader of the Opposition—and I understand it—standing up and saying, "We did all of this." In fact, I find on some occasions some people who even voted on some matters head for the hills when it becomes a matter of controversy. There is a distinction.

Interjections.

Hon. Mr. Davis: Yes, and I have to tell you, you fellows are a little more guilty of that over there than those other members over there, Sean. Ah yes, just a wee touch.

Mr. Conway: I read the press reports.

Mr. Cassidy: We are as accountable as any other party in this House.

Hon. Mr. Davis: Of course, you are as accountable. But that is not what the public understands. It is the government that does something.

I don't see the honourable member signing his name to all of these things. When we have to take a tough decision with which you sometimes agree—not too often—if it's a tough one I don't see you sort of standing up on the nearest soap box and saying, "We support the government totally in this particular position." I understand that and I don't expect the member to do it, but don't expect us to, shall we say, assume the responsibility in terms of what we have to do by bringing his party into the consultative process on the good things and then let them escape on the tough things. That's not the way the parliamentary system works.

Mr. Martel: That's in private members' hour?

Hon. Mr. Davis: No, but the honourable member's leader was suggesting this, that we don't consult him on how we do some of these things. I am getting back to the private members' hour. I can only give him the reaction I get from our own private members. They enjoy it, they participate in it, I think it is a useful—

Mr. T. P. Reid: Did you hear the member for Oriole last week?

Hon. Mr. Davis: He was great, I am told.

Mr. T. P. Reid: A disgrace to the party.

Mr. Cassidy: Did you hear Mickey Hennessy on domestics?

Hon. Mr. Davis: I didn't hear that particular thing but the member from that great part of the province of Ontario always has a constructive point of view. It is always well stated.

Mr. Warner: You haven't lost your sense of humour.

Hon. Mr. Davis: He can never be misunderstood; where is he? Members always know where he stands on any particular issue. He is right there.

Mr. Martel: The veto is used too frequently.

Hon. Mr. Davis: All right, I would say to the House leader—he is the House leader?

Mr. Martel: I think I am.

Mr. Cassidy: He is the House leader.

Hon. Mr. Davis: If he is concerned about the private members' hour being eroded in terms of how the government members react, I suggest that at some time the three House leaders sit down, reassess the report itself and, in sort of a general nature, those subjects coming forward. If the House leaders opposite enter into this discussion in a way that recognizes the practical and political limitations on this side of the House, because we have to assume the responsibility ultimately, then I am prepared to see if we can't improve the hour. But let's not kid one another.

Mr. Martel: I expect the political ones to be shot down.

Hon. Mr. Davis: All right, okay. Why doesn't the honourable member introduce more that aren't as political and then the percentages will alter somewhat?

Mr. Martel: We introduced more resolutions at the House leader's request.

Interjections.

Hon. Mr. Davis: I think one has to look very carefully at the content of those bills. The member for Rainy River interjected here. I have all the figures here.

Mr. T. P. Reid: I'll never learn.

Mr. Martel: You want the veto to work both ways and you have destroyed the hour. That's what's going to happen.

Hon. Mr. Davis: No, no. Listen, I am getting advice here from three people now, Mr. Chairman.

Mr. T. P. Reid: These pages are confused, they didn't know government ran this way.

Mr. Deputy Chairman: I'd interrupt, Mr. Premier, but I think you are enjoying it.

Hon. Mr. Davis: Mr. Chairman, I don't know how you ever would get such a feeling.

Mr. Conway: I have a speech to give and I intend to give it.

Mr. Cassidy: I'd like to know if the Premier would undertake to bring Bill 3 back for third reading.

Hon. Mr. Davis: I don't even know what Bill 3 is.

Mr. Cassidy: It's a bill that provides for equal pay for work of equal value.

Hon. Mr. Davis: No. I can't undertake to do that.

Hon. Miss Stephenson: I think you'd better hear the public hearing.

Hon. Mr. Davis: I thought the honourable member wanted to go through the whole process.

Interjections.

Hon. Mr. Davis: He wouldn't want me to short circuit the process would he?

Interjection.

Hon. Mr. Davis: That isn't what the member said just a moment or two ago. He said would I bring it back for third reading. Here he is circumventing just what his colleague has been suggesting we go through.

Mr. Chairman, I am quite serious about this discussion on the private members' hour. I hear what the member is saying; he is concerned about the numbers of vetoes. This has been expressed before; that's fine.

We are prepared to meet with some measure of understanding and co-operation what was the intent of the private members' hour. If we can meet the intent, if it is not a case of dealing with monetary matters, or trying to take a partisan stance—and I know there are some partisan politics in it, don't misunderstand me, but in ways that are not calculated to make life difficult for the government where you can anticipate the reaction, then I would be quite prepared to see if we can improve the private members' hour.

I really am quite committed to it. We didn't have to endorse this enthusiastically a number of years ago. I would like to see it become more productive, but you have to understand our point of view on it. I am sure you do, but that could reflect itself on what emanates from members in private members' hour. Perhaps we can make it more meaningful.

Those were all of the matters raised I think. If I have missed anything raised by the member for Sudbury East, he will certainly remind me of it.

Mr. Martel: You missed the 42 per cent of production in Ontario now, to meet the needs of the steel workers.

Hon. Mr. Davis: I am going to get that further information for you.

Mr. Deputy Chairman: The member for Rainy River and then, if he has a desire to speak, the member for Renfrew North.

Mr. T. P. Reid: Thank you, Mr. Chairman. I had a number of things I wanted to discuss with the Premier but, time being of the essence, I will try and keep them relatively short.

First of all, I would say to the Premier that the estimates situation around here is in terrible condition. The estimates aren't being handled well and the Premier can say with some justification a large part of that is the fault of the opposition. But when it comes to accountability and responsibility for the taxpayer's money, it's not being well handled.

I would make two recommendations. I realize this is a matter for the interest of the whole House, but I have put these before. One is that the 420 hours of estimates is much too long. I think it means that Parkinson's law is in effect; the work tends to expand to fill the time available for its completion. I think that the opposition, as well as the ministers, need the discipline of having 240 hours maximum, perhaps, to deal with those estimates.

I won't go into great detail, but I think it also might be helpful if we dealt with five or six estimates a year in a cycle, setting aside the others to be done, hopefully in a four-year period. The ability of the public accounts committee to work into that cycle as well so that every year, five or six estimates are done and done early; right from the beginning of the process, from the time they are introduced in the House to the time the public accounts has an opportunity to look at them.

Interjection.

Mr. T. P. Reid: Well, we mentioned that before.

I want to mention two things very briefly. One is that I share the concern of the member for Sudbury. We have spoken about one-industry towns in northern Ontario in the past. I say to the Premier that from my perspective the biggest failure of the Conservative government in 36 years is in its dealings with communities in northern Ontario. It's

not entirely your fault, but certainly you have to accept the responsibility, as you seem to be prepared to do in other things today, of keeping us primarily drawers of water and hewers of wood.

I say this in a very personal sense, Mr. Premier. I give you full credit for assisting with the Hydro plant and the shutdown of the two mines in Atikokan; Steep Rock and Caland Ore. I say this very personally because I was raised in Atikokan. I grew up there. I went through grade one to grade 12. My father was a businessman there and the first reeve of the town. I am very attached to the place. I don't mean to denigrate anyone else, but it was probably or is, the best community in northern Ontario in terms of community spirit; in getting together and doing things on their own and not necessarily going around and asking for handouts. I will restrict that to Rainy River district if you like.

Mr. Martel: All right.

Mr. T. P. Reid: It really was and is an excellent community, and I think there are certain things that should be done. I think we have touched on some of them. Something has to be done about the transportation costs in the north. There has to be something done about the cost of living in the north. This could be handled, I think, by tax credits, of which the Premier seems to be fond.

I think there have to be incentives to industry, perhaps a tax-free series of years. There has to be an easier access to capital, because for years we have known that while the government has certain programs the financial institutions are not fond of lending money in northern Ontario.

The other thing I wanted to touch briefly on in that regard is the tourism business, because it is obviously going to be one of the most important in Ontario, if not in Canada, in the next few years. I throw this out very quickly because of the limitation of time, but I hope the Premier would look at the whole concept of the use of crown land in the province of Ontario.

We are trying to build a tourism industry. Your Minister of Industry and Tourism (Mr. Grossman) announces loans and grants, but what incentive is there for a tourist operation to expand or a new one to start up when foreign tourists to our shores can camp on crown land for 21 days at a time and can bring everything with them across the border, if they are coming from the States? They can camp right beside a million-dollar tourist resort for nothing.

I would suggest to the Premier, it should be a requirement that tourists stay in licensed tourist camps, provincial parks, licensed trailer parks, and that sort of thing, to give the tourist industry in northern Ontario a boost, because it is something that could happen and happen immediately.

As the Premier, prescient as he usually is, is aware, I wanted to spend the bulk of my time talking about public opinion polls. I am a little short of time, but obviously the Premier knows, because we have had this discussion in the House, that from January 1, 1975, until April 1, 1978, the province of Ontario spent $1,273,000 on public opinion polls. The Cabinet Office, interestingly enough, commissioned some of these, the titles of which are Survey of Policy Perspectives; Survey on Policy Reactions and Future Needs; Survey of Current Problems and Issues."

Also, in about a year, between April 1, 1978, and April 1, 1979, the province spent $434,312 on similar polls. At the same time, the Premier has set up the Royal Commission on Freedom of Information and Individual Privacy to look into this whole matter, at which point in the fiscal year, according to Public Accounts, 1977-78, they spent $329,241. I imagine by the time they report they will have spent at least $1 million of taxpayers' money to tell us we should have a freedom of information act and that things like public opinion polls, paid for by taxpayers' dollars, should be made public.

In response to questions from this side of the House, the Premier's only answer when we ask, "Why are they not made public?" is simply, "Because that is government policy." I suggest that is not good enough. I suggest he could very well set an example by releasing these public opinion polls, making them public and in fact, giving some impetus to the royal commission he set up on public information. I give him a minute, if I may, to reply.

Hon. Mr. Davis: I will just reply very briefly to the two or three issues raised.

The question of the one-industry town: the honourable member isn't going to get any debate from me as to the need to find solutions to this in many parts of northern Ontario. We have discussed this on other occasions and I certainly am not going to add anything further tonight other than to say we are still and will continue to make an effort.

The part on the tourists I must assess a little more carefully.

Mr. Cassidy: They are ghost towns that were created after your government came into power.

Hon. Mr. Davis: Oh, yes. But this government has also been indirectly involved in a lot of good things, too, Michael. A lot of growth has taken place and a lot of people are employed. The province is really a better spot than it was 10 years ago. It has not been all bad.

Mr. Martel: Except for those who have been affected.

Hon. Mr. Davis: You'd have a happier frame of mind if you'd understand this and say it on occasion.

Mr. Martel: Why don't you publicize it?

Hon. Mr. Davis: I really want to check on the question of the tourist industry. I realize how sensitive it is in the area represented by the member, but it also is in many other areas as well.

As for polls, I understand what the member is saying. I just ask him, being the reasonable person he is, to understand our point of view.

Mr. T. P. Reid: You just keep saying policy.

Mr. Cassidy: Let the public pay and keep the information to yourself.

Mr. Conway: Jed Baldwin tells us not to believe you and I believe Jed Baldwin.

Hon. Mr. Davis: No, I'm sure that Jed Baldwin would believe anything that was said to this House.

Mr. Conway: He wouldn't believe a damn word your government tells us.

Hon. Mr. Davis: I assure the honourable member that we've made a note of his observations. I understand why he continues to raise it, but I'm sure he understands, while he disagrees with the policy of the government—

Mr. T. P. Reid: All you've ever told me is that it's policy.

Hon. Mr. Davis: That's right. Policy is policy.

Mr. T. P. Reid: At least it should be based on something.

Hon. Mr. Davis: It means the policy is that these polls were conducted on the basis that they would be confidential.

Mr. Conway: If we could squeeze it out of the Minister of Health (Mr. Timbrell) I'm sure we can get it out of you.

Hon. Mr. Davis: If it makes you feel any better, I will restate what I've said many times. In terms of partisan political interest, we do our polls, and I think they do theirs. I know you do yours. I won't tell you what's in yours, but I can make a guess and you'd be surprised. Perhaps you wouldn't be surprised. Anyway, the issues are there. They're very clear. The polls that we do—I can only speak for those related to Cabinet Office—don't relate to the partisan political involvement I have or members of cabinet. That may not help the member very much—

Mr. T. P. Reid: It doesn't.

Hon. Mr. Davis: —but it is an assurance that we don't use them for purposes other than government policy.

Mr. Deputy Chairman: I recognize the clock but I see there are 27 minutes left for the estimates on votes 201 and 301. The member for Renfrew North has indicated that he would wish to speak to it.

Mr. Conway: I don't really like to keep the busy Premier and bring him back. I had only five or 10 minutes of remarks. If it's the agreement that we adjourn now and reconvene at eight o'clock, that's fine with me.

Mr. Deputy Chairman: I think when we start running over the clock we get into problems.

The House recessed at 6:03 p.m.

APPENDIX

(See page 4182)

ANSWERS TO QUESTIONS ON NOTICE PAPER

MULTICULTURALISM COUNCIL

311. Mr. Grande: Now that cabinet has made the decision to change the priority of the Ontario Advisory Council on Multiculturalism, will the ministry responsible table the report that the government has done to evaluate the work of the now defunct advisory council prior to the change of name and mandate? (Tabled October 16, 1979.)

Hon. Mr. Baetz: There has been no change in the "priority" of the Ontario Advisory Council on Multiculturalism. There has been, rather, a broadening of its mandate to include citizenship, with a corresponding change in name. Because its former mandate called for it to advise the government on policies "with direct implications for Ontario's multicultural communities" the council was often seen by the public as being relevant only to ethnocultural groups and not to the Ontario community as a whole.

The council's broader mandate means that it will focus on those needs and concerns that are common to the ethnocultural communities, and indeed all residents of the province, but continue to deal with the special needs of ethnocultural groups.

The decision to broaden its mandate was made because the advisory council had proven itself to be an effective vehicle for conveying very specific community concerns to government. Accordingly, there was no need to do a special evaluation of the Advisory Council on Multiculturalism since its worth was recognized and appreciated and no corresponding report has been done by government.

We do not consider that the Advisory Council on Multiculturalism is "defunct." It continues as the Advisory Council on Multiculturalism and Citizenship with, as has been pointed out, broader terms of reference and an expanded area of concern.

TRANSIT SERVICE

326. Mr. Stong: 1. Since it is the proclaimed commitment of the Ministry of Transportation and Communications, that public transportation be established and ridership encouraged, particularly in urban areas, would the minister intervene in the agreement being negotiated between TATOA and the municipalities of Richmond Hill and Markham so that in its deliberation TATOA will be mindful of and be required to give effect to that commitment? 2. Where a convenient GO Transit bus route along Bayview Avenue has already been established, why would the Ministry of Transportation and Communications allow TATOA to enter any agreement with the aforementioned municipalities which would seriously impair the commitment of the ministry to public transportation, and so drastically reduce the existing service as to virtually eliminate it and thereby discourage its use? 3. Whenever a situation warrants the takover of an established service from TATOA by a municipality, would the Ministry of Transportation, in the interest of promoting the use of public transportation, direct TATOA to negotiate such takeover only if the existing level of service, including frequency, is to be maintained, enlarged, or otherwise improved but not reduced or eliminated? (Tabled October 22, 1979.)

Hon. Mr. Snow: TATOA's mandate from the government is based on government's policy and commitment to provide and encourage the provision of public transit as an alternative to the private motor car. The dramatic increase in TATOA's ridership since GO Transit was introduced in 1967, is proof of its adherence to this government policy.

The Ministry of Transportation and Communications has been involved in the negotiations with the municipalities of Richmond Hill and Markham which led to a signed agreement for the adjustment of services on Bayview Avenue; nevertheless, if the resulting services are not responsive to the public needs, my ministry is prepared to reconsider previous agreements and ensure that interregional services are maintained in the most effective and efficient manner. Markham's decision to duplicate services being provided on Bayview by TATOA was coupled with a demand that GO buses travel with closed doors south of Highway 7, thereby reducing TATOA's revenues by 40 per cent on the route between Richmond Hill and Finch subway station. Markham considered that it had the operating rights over this route which was providing a local service for Markham residents. Both municipalities agreed with the adjusted TATOA service.

To suggest that transit routes should be continued and the level of service not be reduced is unrealistic and would not be in the overall best interest of transit operations. Unless we are to tailor our services to public acceptance and demand, we would be guilty of wasting energy, increasing our capital and operating cost to a level which would be completely unmanageable and result in an unacceptable portion of the tax dollars.

CONTENTS

Monday, November 5, 1979

PQ white paper, statement by Mr. Davis 4169

PQ white paper, questions of Mr. Davis: Mr. S. Smith, Mr. Cassidy 4171

Gas and oil supplies, questions of Mr. Welch: Mr. S. Smith, Mr. Cassidy, Mr. J. Reed, Mr. Wildman 4172

Water pollution, questions of Mr. Timbrell: Mr. Cassidy 4174

Labour relations, question of Mr. Davis: Mr. Cassidy 4174

Suicide at Guelph jail, question of Mr. Walker: Mr. Worton 4175

Hospital bed allocations, questions of Mr. Timbrell: Mr. Cooke, Mr. Mancini 4175

Arena operating costs, questions of Mr. Baetz: Mr. McKessock, Mr. Martel 4176

Health travel costs, questions of Mr. Timbrell: Mr. Wildman, Mr. T. P. Reid 4177

ODC loan rates, questions of Mr. Grossman: Mr. Mancini, Mr. Eakins 4178

Ontario home renewal program, questions of Mr. Bennett: Mr. Dukszta, Mr. Conway 4179

WCB reports, questions of Mr. Elgie: Mr. M. Davidson, Mr. McClellan 4180

Jailing of motorist, question of Mr. McMurtry: Mr. Eakins 4180

ESL programs, questions of Miss Stephenson: Mr. Grande 4181

Teacher-board negotiations, questions of Miss Stephenson: Mr. Bradley 4181

Visit of U.S. President, questions of Mr. Wells: Mr. Renwick 4182

Report, standing resources development committee, Mr. Villeneuve 4182

Motion to adjourn debate, Mr. Villeneuve, agreed to 4182

Motion re standing administration of justice committee, Mr. Wells, agreed to 4182

Motion re sitting of the House, Mr. Wells, agreed to 4182

Tabling answers to questions 311 and 326 on notice paper, Mr. Wells 4182

Estimates, Office of the Premier, Mr. Davis, continued 4183

Recess 4213

Appendix: answers to questions on notice paper 4214

Multiculturalism council, question of Mr. Baetz: Mr. Grande 4214

Transit service, questions of Mr. Snow: Mr. Stong 4214

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
Bennett, Hon. C.; Minister of Housing (Ottawa South PC)
Bradley, J. (St. Catharines L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Dukszta, J. (Parkdale NDP)
Eakins, J. (Victoria-Haliburton L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Grande, A. (Oakwood NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Kerrio, V. (Niagara Falls L)
MacBeth, J. P.; Deputy Chairman (Humber PC)
MacDonald, D. C. (York South NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McKessock, R. (Grey L)
McMurtry, Hon. R.; Attorney General; Solicitor General (Eglinton PC)
Newman, W. (Durham-York PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Samis, G. (Cornwall NDP)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)
Worton, H. (Wellington South L)



No. 101

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Monday, November 5, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

House in committee of supply.

ESTIMATES, OFFICE OF THE PREMIER
(concluded)

On vote 201, Office of the Premier program:

Mr. Chairman: Are there any further comments on vote 201?

Mr. Conway: Yes, Mr. Chairman.

Mr. Chairman: The member for Scarborough-Ellesmere.

Mr. Warner: The member for Renfrew North waited here for an hour and a half, but I think it is our turn.

Mr. Chairman: Generally, we recognize members in rotation.

Hon. Mr. Davis: I hear he spent the whole supper hour here. Don't go away mad.

Mr. Warner: Stay around. I'll be about 10 minutes. I would like to speak briefly to the Premier about the statement he made in the House today.

Hon. Mr. Davis: I thought you were going to talk about Magna Carta.

Mr. Warner: I'll get to that but I can't do that in 10 minutes.

I would like to say, first, that I appreciated the fact that the Premier made the statement and took what I thought was a very strong stand. My criticism would be that the statement didn't come early enough in terms of a message from Ontario with respect to the Confederation issue.

Some time ago when the opportunity was afforded I spoke on my view of the problems confronting Confederation from the perspective that while we are in the midst of trying to save Confederation with respect to the possibility of Quebec's separating, the issues which are very deep in the minds of the people of Quebec are problems which also exist in other parts of the country. When the referendum is finished, regardless of the results, many of the issues which have been debated with regard to Quebec will remain to be debated with respect to other parts of Canada.

I think that is why it is extremely important that as an assembly we are able to follow up on the address made earlier today by the Premier, that we have a very open and meaningful debate in this assembly and that we come out of it with a statement from the Legislative Assembly of Ontario that I would hope unanimously reflects the views of its 125 members.

I would think that kind of statement would be very powerful in terms of the results in Quebec. But we should not make any mistake about how serious many of the people of Quebec are about separating.

Along with some of my colleagues I visited Quebec City and Montreal and met with some members of the National Assembly, the business community, the labour movement, community groups and others and discussed the issue of separation. The feelings are very strong indeed. Many people in Quebec feel they have been cheated through Confederation. People in this province may disagree with that, but that is their perspective. They feel as though they've been cheated in Confederation. They see their way out by forming what they call sovereignty-association.

It's a very strong feeling and if we are to combat it, we have to do so in a very strong but intelligent way. That's why I think the Premier's statement today is to be welcomed by this House. It should be taken as a starting point for this assembly to go forward and come up with some very constructive suggestions as to how we keep Quebec in Confederation and, at the same time, improve the agreement under which our provinces are presently united.

I might also say that we should recognize that while the Premier says the people of Quebec are the greatest losers if Quebec separates, we in Ontario stand to lose a great deal as well. Should Quebec end up seceding from Confederation, we in Ontario will lose. We will lose very directly, it seems to me, in terms of jobs and the economic ties which presently exist. While we can and should put forward the argument that Quebec has a great deal to lose, we should also make it clear that Ontario has a great deal to lose. We don't intend to see either Ontarians or Quebeckers

lose in this struggle, so we try and address the problems.

By the way, I don't believe the referendum results will complete the matter by any stretch of the imagination. When we think we're on the right track with respect to Quebec then we can turn our attention to the resource question.

The resource question for the provinces of Canada is absolutely crucial. Whether or not it's an argument with the Premier of Alberta about Alberta's oil or an argument with Newfoundland about resources they hope to find under the sea, or arguments with any other province about its resources, the question of the resources and the sharing of the wealth from those resources throughout Canada is a question which must be answered.

We don't have the answers in our present Confederation, but we have to find those answers. If we don't, we will be faced with continual wrangling between provinces and that surely won't benefit any one of us.

I believe there are answers. They won't be found easily, but they can be found if we put our minds to it. Therefore, I want to impress on the Premier that many of the items he raised this afternoon with respect to Quebec are items which affect the entire country, not just a single province.

The province of Saskatchewan has successfully moved from being a have-not province in the 1930s and early 1940s, with a very desperate economic situation, to today where its economy, on balance, is stronger than ours. Much of it was done by obtaining some control over its resources and the direction it would take. The people in Saskatchewan should have control over their resources. I wish we could do that here in Ontario. But we've chosen not to do that.

We've chosen instead to allow people outside of our country to control our resources and the wealth from them. That's unfortunate. In my opinion it has to be reversed. It seems to me it is a separate question from the one of sharing within Canada. In other words, we have two problems.

We have to first decide how we are going to control our resources, or if we are; if we're going to reverse the policies of this government and actually gain control of our resources so that all the people of Ontario will benefit. If we decide to do that, then we have to answer the second question about the sharing of those resources with the rest of the country, as Alberta must decide.

Will Alberta simply hoard the wealth from the petroleum industry, or will it share it with the rest of the country? I guess if I were living in Alberta I would say, "We're finally getting our day. We didn't get the message through on freight rates many years ago but now, today, we've got oil and we're going to get what we figure is coming to us."

Mr. Martel: Ontario should have said that years ago.

Mr. Warner: That's a historic problem. I don't know how we handle that because historically, if you go back 40 or 50 years, Ontario could very well be accused of not having treated the rest of the country well.

What do we do now? What kind of an answer do we give to the Premier of Alberta, when there seems to be a certain edge of revenge about the oil?

Time may not allow this evening but certainly I would like to know from the Premier if he has an answer on the sharing of resources within Confederation; for example, the question of Alberta oil or Newfoundland natural gas, as they expect, or any other natural resource of each province.

Second, can he offer us any rationale for having abandoned the control by Ontarians of our natural resources?

Those are the two particular questions I have. Mr. Chairman, if time doesn't permit a full answer, I'd appreciate it if the Premier could send me something in writing later on.

Finally, in conclusion, I would say again to the Premier I welcome his statement of today. I do see it as a beginning of a very meaningful debate in here, whether or not we have a committee or some way of opening the place up for all members. I would like to see an opportunity in this House when I could ask questions of Mr. Robarts and Mr. Pepin, who spent a great deal of time and very honest effort in trying to come to grips with Confederation. I'd like to have an opportunity, either in this chamber or in one of the committee rooms, to pursue questions that would reveal to me their findings and their beliefs as to what kind of a resolution could come out of this House.

When we're finished with that, I would hope we would have a resolution from this House, a resolution which strongly supports a united Canada, strongly supports a reworking of our Confederation and something that would have 125 signatures on it.

Mr. Chairman: For the information of the committee, there are 12 minutes remaining on the clock. Mr. Premier.

Hon. Mr. Davis: Mr. Chairman, I'm sure the House leader for the Liberal Party of Ontario will convey to the member for

Renfrew North my regrets for those many minutes spent during the supper hour preparing observations he was not able to deliver. If he would convey to him my suggestion that he might send me his observations and if there are any suggestions to which I can reply, I'd be delighted to do so.

Mr. Nixon: I'm sure there will be other occasions.

Hon. Mr. Davis: I'm sure there will be.

I wish to reply to the member for Scarborough-Ellesmere, the proponent of Magna Carta, the defender of Magna Carta, the member who probably has never read Magna Carta.

Mr. Warner: Oh yes, I have, and in the mediaeval Latin, thank you.

Hon. Mr. Davis: I don't want to trespass on the time of this commitee, but I really do have to tell you something.

Mr. Cassidy: No fee or scutage without the consent of the member.

[8:15]

Hon. Mr. Davis: I had dinner tonight, as I always do when I am here for dinner, downstairs, and we went to the main dining room.

Mr. Nixon: Run that past us again.

Hon. Mr. Davis: I said I always have dinner here. When I am here for dinner, I eat downstairs. We went to the corner table at the far end because there were a number of us, just to prepare ourselves for the very difficult task of the evening. Members of the New Democratic Party caucus were in the far room. In the spirit of openness, freedom of information and desire to share their thoughts and advice, the first thing they did was to put one of those big screens across the end of their table so that we couldn't share in their deliberations and we couldn't benefit from their advice. I said to myself, "Here is the young man who is in favour of Magna Carta but also in favour of putting up barriers as between members in a public restaurant in this building, not wanting to share his thoughts with us."

Mr. Cassidy: Will you open the door to your cabinet office?

Hon. Mr. Davis: I just couldn't understand it. I was wondering if there was a palace revolution under way, but I did overhear some of the conversation. There was no palace revolution. In fact, I don't know what there was.

An hon. member: They didn't know either.

Hon. Mr. Davis: I am reminded it is Guy Fawkes day today. What has that got to do with anything?

However, in replying to the very thoughtful suggestions by the honourable member, I should point out to him that what I said in the formal statement in the House today was really in many respects what I had been saying for the past couple of years—I guess more definitively in the last year. The reason the statement was made today, of course, was obviously in reply to the white paper which all of us have been awaiting now for some months.

I won't get into the debate on the question of control because, with respect, that doesn't really solve the problem, or at least the issue I see internally within Canada. We can have our philosophical differences as to who can better develop the resources in this province or any province. You will notice Alberta is having some modest measure of success in the development of its resources. It is being done primarily by the private sector. That is my recollection. They are having modest success without having to move in and nationalize it all.

Mr. McClellan: It is hard to lose money on oil.

Mr. Cassidy: They have been honest with tax expenditures too.

Hon. Mr. Davis: They go on the basis of royalties which aren't really available to us to the same extent. However, I will tell you how I have attempted to explain Ontario's point of view to the Premiers of the producing provinces. I think you put it very well when you said that some people feel it is now their turn; that Ontario has had its turn and it is now their turn to benefit as much as they can from resource revenues.

It is not easy to explain to the people in our sister provinces that historically while we have had the benefit of significant economic growth, we have shared those benefits. I am the first to recognize that when you take a barrel of oil out of the ground in Alberta, that barrel is never replaced. The agricultural members, including the member from Brant, would understand that if you grow a bushel of wheat on your farm this year, you can grow a bushel next year.

Mr. Nixon: In forests up north where there is one tree now, next year there will be two.

Hon. Mr. Davis: That is right, two for every one. In some places, there are three for every one. Those are renewable.

Mr. Nixon: With plenty of hard work.

Hon. Mr. Davis: Yes, with hard work. I acknowledge that. The producing provinces with a depleting resource feel they should have something additional to what might be

the traditional approach to it. I understand that and I think it would be foolish for us not to understand it and not to accept at least a part of that argument. The part I had difficulty getting across out west and in some other places is that they argue that tariffs and central government policy work solely to the benefit of the province of Ontario. Historically and traditionally, I always use the illustration of the automobile because that is their favourite subject. Over the years an automobile purchased in Brampton has cost the same in Edmonton, plus transportation. An automobile purchased in Kenora, the member for that great community tells me, costs a few more dollars than in Brampton. In Brant I'm not sure, but the basic difference in cost was transportation. For many years prior to the auto pact Ontarians paid more for their durables, whether it was automobiles, refrigerators, stoves or what-have-you, than those who were in, shall we say, the same geographic or competing areas south of the border.

If we hadn't felt, as a country and as a people, that there was something worthwhile about being a Canadian, if we didn't think there was something unique in being part of a country where we are prepared to pay a premium, whether you put that premium in terms of the cost per unit, or whatever way you wished to describe it—this is where I disagree with the Premier of Alberta—then the Ontario consumer in straight dollars and cents would have been better off with some economic association with our neighbours to the south.

You can trace that economically, historically, any way you wish to describe it, but the natural trade flows, the natural geographic areas on this continent are primarily north-south instead of east-west. So during those years when we were, as Canadians, paying something for our desire to be a separate nation, we shared the economic benefits from that with the rest of Canada.

I try to articulate this when I am out west, in the Maritimes and in Quebec, and I think it fair to say, Mr. Chairman, Ontarians have never objected to the principle of equalization. We have never said what we have done here in terms of our economic growth should not be shared with our sister provinces for basic government services. We might argue on occasion about the DREE program, the application of DREE, whether or not the ground rules are fair in all parts of Canada, but on the concept of equalization we have always been supportive.

In part of my rationale, you are asking me how I explain why we wish to see something less than world price, why we wish to see a different distribution. These are some of the arguments I have advanced and will continue to advance.

You see, there is another differential that is not understood by a lot of people, because when they compare Canada or they compare Alberta, they talk about world price. I think it fair to state, Mr. Chairman, while those nations that are producers of oil may be at world price, and a number are not, the benefits of that economic plus flow to the total population. I think it is fair to state Canada is unique in the world in terms of the distribution of the oil moneys that are flowing to the producing provinces.

In the United Kingdom, for example, while they may be at world price—I am not sure if they are at world price or close to it—and where they have now a large domestic supply and, as pointed out to me by the western Premiers, the consumers are paying world price, all of the consumers in the United Kingdom are the beneficiaries of those extra dollars flowing into the economy. It isn't just the people in Scotland. It is not just the people in Wales. Everybody is the beneficiary.

Mr. Martel: As much as you hate to admit it, it is also largely owned by the government.

Hon. Mr. Davis: No, no.

Mr. Martel: Fifty per cent.

Hon. Mr. Davis: As a matter of fact, the late Lord Thomson of Fleet owned a great deal of it. It was the private sector that took the initiative to do the development. I will trace that for you historically, if you would like to know.

Mr. Martel: BP is government-owned. I met with Chataway, the Tory minister in England.

Interjections.

Hon. Mr. Davis: Oh, no, no. I have to tell you, if it hadn't been for the private sector, North Sea oil would still be in the North Sea. It would still be there.

In this discussion with our sister provinces, these points are the ones that should be made. I think we would be making a mistake to say to the people of Alberta or Saskatchewan they are not entitled to a portion of those increased revenues. I think this would be unfair and short-sighted.

Our position is very simple. We want to see a better, more equitable distribution. We want to see the distribution has impact on the national economy. We are not looking for a handout. We are not looking for preferential treatment. We are looking at a policy that treats energy in a national sense, recog-

nizing the control of that resource remains within the provincial jurisdiction.

It is not an easy position to maintain. As I pointed out in the discussions here in the House, this view is not shared by a number of other provinces because of either anticipated or actual potential resource revenues. But it is a credible position and I think very fundamental to the future of Canada, and I expect we will be saying more of these things as the discussions on energy continue.

I would also point out to the member for Scarborough-Ellesmere that he is quite right. Whatever we say between now and the referendum, when the referendum is over and hopefully settled in a way that will leave the people of Quebec to maintain their part in Confederation, the issues themselves won't disappear. This is true in many other parts of the country and it is why this government has been and is prepared to give some leadership to and be part of a renewed or altered constitution, however one may wish to describe it.

I always point out, and I feel this very strongly—and I have trespassed a little bit here, Mr. Chairman—that whatever rationale is developed, whatever constitutional reform takes place, the Premier of this province is going to be on the side of making it very clear that the central government—and I don't like that term, because it sounds as though one is arguing centralization versus decentralization—the national government should always have the power and the responsibility to deal with the economic, monetary and fiscal issues in a national sense.

Mr. Chairman: The allotted time now has expired.

Hon. Mr. Davis: I will just finish by saying that I don't want to be part of a new constitution or a constitutional change that will put the national government in a position where it cannot function in a national sense. I feel that very strongly.

Vote 201 agreed to.

ESTIMATES, CABINET OFFICE

Vote 301 agreed to.

ESTIMATES, MINISTRY OF REVENUE

Hon. Mr. Maeck: I presume, Mr. Chairman, that the overtime the Premier ran in his estimates will be credited to the Minister of Revenue. Is that the way the system works?

Mr. Chairman, it is a pleasure for me to present the 1979-80 estimates for the Ministry of Revenue. I welcome the opportunity to discuss the operation of my ministry with the committee again.

As was the case last year, I have already provided additional explanatory material to all parties to supplement the financial information contained in the printed estimates. I hope the members have found this material useful in their preparations for these discussions.

Also, before we turn to the detailed examination of the estimates, I would like to draw the committee's attention to a number of important developments taking place in the Ministry of Revenue. I believe this will be of further benefit to members in their item-by-item review of our operation.

In particular, I shall deal with three main elements: the overall financing and productivity gains in the ministry; tax simplification and improved customer services; and progress in muncipal property assessment.

As all members are aware, since 1975 the government has pursued a rigorous policy of reducing the growth of expenditures and the size of the public service in order to lessen inflationary pressures in the economy and to achieve a better balance between the private and public sectors in Ontario. This policy is widely endorsed as correct by informed observers in other governments both in Canada and abroad.

Similarly, our success in controlling expenditures is amply demonstrated by our record.

These results could not have been accomplished without the full co-operation of all ministries. I am pleased with the particular role played by the Ministry of Revenue. In this connection I would refer the committee members to the expenditure summary table in the briefing material they have before them.

This table shows that, in comparison with 1978-79 actual expenditures, the ministry's 1979-80 estimates are up by only $828,800, which is less than half of one per cent. In part, this very modest increase is due to the reduction in Gains payments. Spending on services and supplies, which are subject to significant inflationary cost increases, is up by only $590,800, or 3.4 per cent.

[8:30]

Wages and salaries are shown to be rising by $2,147,700 or only 3.3 per cent. While some salary increases occurred after the estimates were printed, it is not anticipated that they will increase in total by more than $4.5 million or 6.8 per cent, which is in line with the government guidelines. This demonstrates that the Ministry of Revenue is exercising restraint in expenditures and

that its 1979-80 estimates are essentially level-lined.

In emphasizing the way the ministry's expenditures are being constrained in line with overall government policy, it is important also to stress that we have been able to do so in the face of continuing increases in the volume and complexity of program work loads in all parts of the ministry. This has been accomplished by a concerted effort over the past few years to improve productivity.

Since 1975 the ministry has been successful in increasing efficiency by recognizing and exploiting opportunities on two main fronts. In 1976, management board of cabinet approved the introduction of the management by results system, or MBR, as a basic tool to be used by all ministries in measuring and reporting on how their programs performed during the fiscal year against stated objectives. Along with other ministries, the Ministry of Revenue was successful in implementing this new management technique to reinforce existing cost-benefit procedures already in place.

In 1978, the ministry successfully introduced zero-based budgeting techniques as a complement to the MBR system. Essentially, ZBB is a process of ranking and comparing the benefits to be derived from funding alternative levels of activity among a range of programs within a fixed budgetary allocation. The effect of ZBB, therefore, is to force the conscious rationing of scarce resources among competing uses, so that the most effective package of results is planned for the year's operation.

The combination of ZBB and MBR works like this: The ZBB exercise rations the resources and sets the targets. The MBR system monitors program performance during the fiscal year in terms of the achievement of the targets and what adjustments need to be made in the light of changing circumstances. Most importantly, these systems have intensified the involvement and commitment of the ministry's management staff in ensuring the most efficient use of our limited resources. In other words, the internal operation of the ministry is under constant scrutiny to get the best results.

Closely connected with improved program planning and management systems is the need to improve constantly the use of our manpower resources in line with the government's overall objective of containing the civil service. In the Ministry of Revenue this dictates the investment of funds in the development and introduction of new labour-saving methods. To date, this has resulted in the redesign and overhauling of the computer systems and administrative procedures supporting all of our major tax-collecting operations and has also produced significant productivity increases and improvements in services in the area of municipal property assessment.

However, it must be stressed that the maintenance and improvement of such systems is on an ongoing basis. Typically, it takes two years before a new investment project bears fruit. As a result, this year's estimates include funds dedicated to ensuring further increases in productivity in the future so that we will continue to contain total expenditures while at the same time dealing with increased work loads and inflationary pressures on our operating costs.

To conclude my remarks on the question of improved productivity, I would like to draw the members' attention to the summary table on ministry staffing which is contained in the material I have distributed to them. This shows that we plan to reduce our manpower this year by at least 118, compared to last year.

This means that over recent years we have reduced our staff by some 210 from the level of 4,182 in 1974 to 3,972 in this current year. In contrast to these reductions, we have had to manage significant workload increases. For example, the number of taxpayers with whom we deal under our various statutes has increased by 24 per cent since 1974, along with a more than proportionate growth in the number of transactions to be administered.

However, productivity gains are not measured by staff reductions only. Wages and salaries are, after all, only part of our total cost and on this broader scale I am pleased to inform the members that unit costs are also being significantly reduced. For example, the cost of collecting $100 in corporation tax has fallen from 60 cents in 1977-78 to 57 cents in 1979-80.

Mr. Nixon: Run up the flag. Sound the trumpets.

Hon. Mr. Maeck: Quite a thing. In this inflationary world, it is quite a thing.

Hon. Mr. Walker: Try to get that up to a decent amount next time.

Hon. Mr. Maeck: We will try.

Thus, to sum up in the area of financing and productivity, the ministry will in 1979-80 be once more operating with a level-line budget, with planned employment down by 118 man-years and expenditures up by less than one per cent.

I would like now to turn to the second part of my introductory explanation of my

ministry's estimates for 1979-80. Primarily, this concerns our progress in simplifying provincial taxation and improving customer services in our revenue division.

Mr. Nixon: Your equalization factors certainly simplify things.

Hon. Mr. Maeck: We will come to that a little later, Bob.

I should also emphasize similar improvements are taking place in the area of municipal property assessment services at a later point.

As the committee is aware, the revenue division is responsible for the efficient and equitable management of the provincial tax system. This also includes administration of Ontario's guaranteed annual income payments to the elderly citizens, the Ontario tax credit system and the government's new small business development corporation program. Altogether, this involves some 12 statutes on an ongoing basis, as well as business still occurring under the now-repealed Succession Duty, Gift Tax and Land Speculation Tax Acts.

As members can see, Ontario's tax structure is highly developed and sophisticated. However, at the same time, it must be recognized that no two taxpayers are exactly alike. More particularly, their ability to deal with the intricacies of the tax system varies extensively, from the highly sophisticated corporate tax manager to the operator of a small business in a local neighbourhood. The needs of these groups are as different as they are numerous.

Recognizing this, my ministry is absolutely committed to a program of tax simplification under which the prime objectives are the minimization of undue interference in daily business activities and the minimization of paper burden and its attendant cost. To the extent we are successful, I believe such a program works to the mutual benefit of both the taxpayer and the government. If the taxpayer is not asked for a lot of forms and information, then we as a ministry don't have to process them, either. The potential savings involved in this approach to both the government and taxpayers is obvious.

I believe my ministry's record provides eloquent testimony to our commitment to tax simplification and our determination to improve our services as far as possible in a rapidly changing environment. Consequently, I shall review briefly some of the more significant steps we have taken. In doing so, it is helpful to describe our actions in two main groups. These are legislative and procedural improvements and increased services to taxpayers.

Under the first of these headings, procedural simplification must begin at the very first stage of contact between the ministry and taxpayer. Obviously, taxpayers must file returns with the ministry. However, there are ways to ensure they are filed only as needed. To this end, various steps have been taken.

In the case of retail sales tax, we have been able to steadily eliminate the need for filing monthly returns for 10,000 of our smallest vendors. These business operators collect and remit only small amounts of tax and it is, therefore, sensible to allow them to file returns only once every six or 12 months, whichever the case may be.

Also, a couple of years ago, we raised the level at which corporations must file monthly instalment payments. The current level is $2,000, below which a corporation is required to file only once a year. To date, this change has allowed more than 30,000 small companies to file yearly instead of monthly.

While on the subject of corporation tax, I would like to remind members of the recent changes to the capital tax. These changes allow small companies to pay only a flat rate of tax, thus avoiding the need to enter into unnecessary calculations in order to comply with the tax.

I think members will agree that steps such as these represent a significant effort and commitment on the part of the ministry to reduce undue demands on the part of the taxpayer as much as possible. We have been able to achieve these results without compromising the revenue position of the government.

There are other steps besides tax filing changes which can be taken and have been taken to reduce the level of government presence in day-to-day business transactions. As a prime example, I would like to touch briefly on statutory liens.

Statutory liens are one method of protecting the revenue position of the province, and these were used extensively in almost all the statutes. A lien constitutes a charge on property for taxes which might be owing. However, a statutory lien is not registered against the title to real property and, therefore, prospective buyers and sellers cannot always be sure whether or not a lien exists.

At one time the use of a statutory lien was necessary to protect the revenue interests of the province, but we have found ways to protect the province's position without resorting to statutory liens and thereby the need to give prior approval to all property transfers. Since 1974 we have eliminated six

statutory lien provisions, along with many thousands of clearance requirements.

The elimination of these statutory lien provisions has several benefits. First, it allows businesses to operate with more certainty; if a lien is not registered, then it does not exist. Second, it eliminates the need for buyers and sellers to obtain lien clearances from my ministry for every sale. Third, by eliminating clearance requirements, my ministry is able to redeploy its resources to more urgent problems instead of using them to interfere in every transaction, the vast majority of which we have no interest in in the beginning.

With a diversified economy and tax structure, disputes are bound to arise between taxpayers and tax collectors. Recognizing this, however, it is our responsibility to provide simple methods for the resolution of these disputes at the lowest cost possible.

In this connection I remind honourable members of the latest measure taken to assist taxpayers in their dealings with my ministry in the area of tax disputes. Our new tax appeal service has been created to deal with all appeals and hearings related to our tax statutes plus the Small Business Development Corporations Act. Together with day-to-day administrative duties required by the tax collection process, appeal activities were previously the responsibility of the individual tax branches.

During the fiscal year 1977-78 my ministry received less than 1,300 appeals, by no means a large number when compared to the considerable number of taxpayers, corporations and businesses on our tax rolls as well as the number of tax transactions involved. I am proud of our record, and I believe that the consolidation of the appeals function in one separate office can only serve to increase the level of efficiency of my ministry's service to the taxpaying public.

I would emphasize that my ministry deliberately located tax appeals out of head office and away from administration of taxation specifically to provide an added measure of impartiality and independence. In addition, our ability to ensure consistency in handling appeals across all of the taxes we administer will be greatly enhanced.

Finally, it is important to emphasize that the benefits of the new appeal service will not be confined to Metropolitan Toronto only. Our appeals officers will continue to travel regularly to other parts of the province to deal with appeals where it is not convenient for taxpayers and their representatives to come to Toronto.

In the area of streamlining legislation, members will recall that two years ago this House approved extensive revisions to the Corporations Tax Act. The purpose of the revisions was to bring Ontario's act more closely into line with that of the federal government so that where the law was supposed to be the same taxpayers would be certain that it was.

This approach allowed us to further simplify procedures. Where the federal government issues revised assessments, either up or down, and Ontario's law on the matter is the same, my ministry will automatically follow that assessment. In addition, if the taxpayer objects to the federal assessment, his objection automatically becomes valid for Ontario purposes. He does not have to file two pieces of paper to two levels of government. I am pleased to report that this is working well to the mutual benefit of taxpayers and the ministry.

[8:45]

I come now to the issue of repealing tax statutes. Members will undoubtedly recall that the Land Speculation Tax Act was repealed in the autumn of 1978. I am happy to report that by January 1979 the transition process was 99 per cent complete. There are still a very few disputed cases open, but I hope to have these resolved in the very near future.

As members know, in April of this year the Succession Duty Act and the complementary Gift Tax Act were also repealed. I would like to report to members that the winding down of this operation is also on schedule. I anticipate that the bulk of activity should have been resolved by mid-1982.

For the information of the members, the last returns under the Succession Duty Act were due on October 24. Of course, the smallest estates are processed within days; however, larger and more complicated estates can easily take 15 to 18 months before assessment. In addition, the structure of wills may cause some estates to be open for years into the future, particularly where life tenancies are involved.

However, as I said earlier, the wind-down process is proceeding in an orderly manner according to plan and is on schedule.

I have been describing some of the more tangible steps taken by my ministry in the area of tax simplification and reduction in paper burden. I would now like to discuss the less tangible but equally important question of improved customer services.

My ministry has accepted as a basic principle that we cannot expect taxpayers to

comply with statutory requirements if they do not know what they are supposed to comply with. It follows then that the ministry is obligated to meet this need through improved information services. For the information of members, I will briefly outline some of the main measures my ministry has undertaken to meet our obligations in this field.

Almost every small business operator needs a retail sales tax permit. When these people go into business and request a permit, which is free of charge, my ministry also supplies an easy-to-read kit giving the business operator some basic information about dealing with the tax. Then, about two weeks afterwards, one of my staff calls the new business to see if there are any questions. At that time, my staff also offers to visit the operator personally to discuss any problems.

On a broader scope, my ministry is in the process of introducing a new telephone referral service, using our district retail sales tax offices and head office. It will ensure that the taxpayer with a question of any kind will be put directly in touch with the right person.

In co-operation with the Ontario Chamber of Commerce, my ministry will shortly begin a series of seminars on taxation across the province. This program is specifically geared to the needs of the local businessmen. Thanks to the close assistance of the chamber, I am very confident of the success of this new program.

In the last two years my ministry has totally restructured its information bulletin program. The objective has been to make bulletins more timely and easier to understand; and all bulletins are available in both official languages. A recent survey of my ministry indicates that in addition to French and English, we have capacity to deal in more than 60 languages through our central telephone inquiry service.

Finally, in order that taxpayers may have greater certainty in their affairs, my ministry recently introduced a new advance ruling service, which has proved to be highly valued by taxpayers. This means taxpayers can obtain a statement of the tax consequences of their actions before taking them.

We are continually striving to provide more and better services to our taxpayers. We are open to any reasonable suggestion as to how service levels can be improved and I invite and welcome suggestions from members of this House and the public.

Mr. Chairman, I shall now turn to the last part of my introductory remarks, which concerns developments in the area of property assessment. This is what you were waiting for, Bob.

Mr. Nixon: You're a little ahead of schedule.

Hon. Mr. Maeck: Last year, in response to a request from the city of Cambridge and 13 other municipalities, my ministry embarked on a program of property tax reassessment under section 86 of the Assessment Act. This initiative was a response by the ministry and those councils to demands by ratepayers that the inequities in the assessment base be rectified.

The program, which is purely voluntary on the part of municipalities, is designed to equalize assessments within such major property classes as residential, multiresidential, farms, commercial and industrial.

In addition to Cambridge, five other municipalities in the region of Waterloo—namely, Kitchener, the townships of North Dumfries, Wellesley, Wilmot and Woolwich —requested a section 86 reassessment. The other eight municipalities were scattered across the province. They ranged in size from the city of Hamilton to the village of Sterling and included the cities of Kanata and Timmins, the towns of Newcastle and Rainy River, and the townships of Burford and Uxbridge.

A section 86 reassessment is based on the premise that the total tax base for a municipality does not increase or decrease as a result of the reassessment, nor does the total change for each of the property classes. Let me repeat that point.

In a section 86 reassessment, the total taxes paid by each property class after the reassessment are exactly the same as the taxes before the reassessment, although, of course, taxes will go up in municipalities if councils increase their spending over the previous year.

In order to achieve a constant tax base, the assessments are analysed and the major property classes identified. The average level of value is calculated for each class by comparing the actual assessments with 1975 market value assessments. New assessments are then calculated by applying the ratio that represent the average level of value to each individual assessment. Some assessments — those previously overassessed — go down. The others remain the same, others go up. But the net change in total assessment for each property class is zero and the total taxes for each property class do not change.

I emphasized earlier that section 86 reassessments are voluntary programs initiated by municipal councils concerned about inequities in their assessments. I believe it would be helpful to the honourable members if I reviewed with them the process

whereby a section 86 reassessment is implemented.

The first step is a request from the municipality, generally in a letter to me from the head of council, for a review by the ministry of its assessments. This preliminary study indicates the major property classes and by means of statistical analysis shows the average level of assessment for each class and the range of assessments above and below the average.

If, on the basis of this analysis, council believes there are serious discrepancies in the assessments and a reassessment is warranted, it proceeds to the third stage. Council, by means of a formal resolution, requests the ministry to undertake a section 86 reassessment. When the ministry receives this resolution our assessors undertake a thorough review of all assessments to ensure that the 1975 market value estimates are correct and that the assessments are properly allocated to their respective categories—residential, multi-residential, farm, commercial and industrial.

The class averages are recomputed and new assessments are calculated. When the new assessments have been verified, the ministry presents council with a detailed study of the impact of the new assessment. This report provides council with a comprehensive overview of its tax base which allows it to see what inequities and inconsistencies exist in the assessments.

By reviewing this impact study, council can ascertain exactly the magnitude and distribution of tax changes that would result from reassessment. Council can then determine for each class how many assessments will increase and how many will decrease. They are able to calculate the average change in taxes and to ascertain the number of assessments which are greater and which are less than the average.

In a municipality that is organized into wards, the analysis is done on a ward basis as well as on a municipal basis. Council then decides whether the reassessments should proceed. No municipality has as yet decided not to proceed, but if that was the decision of council, the old assessments would continue to be used for taxation purposes.

When council decides to proceed with the reassessment the ministry mounts a public information program to explain to ratepayers what is happening. Through the use of newspaper advertising, explanatory inserts with assessment notices, and information pamphlets, citizens are told that a reassessment has been implemented. Also, they are urged to examine their own assessments compared with last year's; they are referred to the indicated market value estimate which appears on the notice. They are told what property classes have been identified and what ratios have been used to calculate the new assessment. They are told where and when they can attend open houses to meet with their neighbourhood assessor and have their assessments explained in more detail. Finally, they're also told, if they are dissatisfied with their assessment, how they can lodge an appeal.

In regard to our experience with the section 86 program in 1979 is the distinct success and the significant contribution to the local government process. The vast majority of ratepayers accepted the new assessments as a reasonable reallocation of tax burdens so that within each property class every ratepayer bears his fair share.

There are some 203,000 properties in the 14 municipalities that were reassessed, and of those, just under 18,000 were appealed. While the appeal rate grows substantially from 1978 when there were approximately 6,500 appeals, the total was within our projection and compares favourably with the 10 per cent appeal rate generally used as a standard in other jurisdictions that have witnessed the assessments.

An issue often raised with section 86 as the assessments are discussed is whether tax change can be phased up. The province does not have the authority to phase in tax changes. And I make it clear to all municipal councils, if they want to phase in changes, they have the authority to do so themselves under the Municipal Act. It is interesting that of the municipalities that have implemented section 86, only the city of Hamilton is phasing in the tax changes.

One measure of the success of the program is the number of municipalities which have applied for impact studies this year with a view to implementing section 86 in 1980. In fact, 106 municipal councils and one board of education right now are analysing the impact studies we have provided with a view to requesting the ministry to apply section 86. I expect to know very soon which municipalities wish to proceed so that the preparation of assessment rolls can begin without delay.

I'm sure members will recall that when amendments to the Assessment Act were debated last year, there was agreement among all parties that equalization factors should not continue to be frozen.

Mr. Nixon: Try to share the blame a little bit there.

Hon. Mr. Maeck: We have to.

This decision was made in recognition that general legislative grants to school boards and regional equalization grants to municipalities, which are distributed on the basis of equalization factors, were in need of readjustment.

Further, the apportionment of regional or county levies and school requisitions, also based on equalization factors, was similarly in need of change. Therefore, new equalization factors were prepared by the ministry and Gazetted on July 14 of this year. Following publication of the factors, I sent a copy of the Ontario Gazette to the head of every municipal council and chairman of every school board. Each municipal treasurer received a copy of the calculation sheet for his municipality. The calculations were explained to municipal and school board officials at a series of meetings held throughout the province.

By means of these initiatives, the ministry did everything possible to ensure that municipal representatives were made fully aware of the new factors and were given ample opportunity to consider whether to appeal their factors.

The new factors would substantially alter the distribution of grants if their implementation were not cushioned in some manner. Consequently, the cushioning procedure adopted by the government has two major components.

First, no municipality will receive less grant in 1980 than it received in 1979 because of the use of the new factors and the grant distribution formula.

Second, the overall impact of the new factors will be limited by restricting any changes in equalized assessments.

Finally, my colleague, the Minister of Intergovernmental Affairs (Mr. Wells), explained the limiting formula to the members during debate on his estimates on October 12 last. In the case of provincial education and municipal grants, the limits are set at maximum changes of plus or minus 10 per cent from the amount received in 1979. Comparable limits for apportionments are plus or minus five per cent.

This concludes my introductory remarks, Mr. Chairman, and I look forward to hearing from the member for Brant-Oxford-Norfolk.

Mr. Nixon: Mr. Chairman, since there are just a few of us deeply interested in the matters of the Ministry of Revenue I perhaps can be more frank than I sometimes am. I want to begin by congratulating the minister. I really feel the record he has presented to us indicates one of two or three things, maybe two of two or three things: Most of the responsibility for policy-making in this ministry is still assumed by the cabinet as a whole, and perhaps to some extent as much by the Treasurer as by the minister, and that perhaps the ministry was either overstaffed or underemployed for the years that have led up to the record the minister has given us.

[9:00]

Frankly, I appreciate the fact he talks in terms of man-years or person-years. If Mrs. Campbell were here, she would probably amend that, although the term man-years is the one used in the minister's report. I think it is much more easily understood than trying to balance the number of official complement with contract staff. We have been confused, frankly, on this side for a good long time on that very matter of just how many people were employed, either by the government at large or by the ministries individually in particular. When we look at the man-year requirements and see it has been reduced substantially, certainly this is something we favour.

Perhaps we are not kind enough to agree entirely with the minister that it simply means there has been a serious work-load increase. Those of us who have not held the seals of office and had the opportunity to deal directly with the competent staffs of the various ministries are not that impressed with the work load that is carried. We feel the work is done efficiently. I have had an opportunity on more than one occasion in the last year to contact officials in the minister's office and I have always been dealt with efficiently and courteously. Perhaps it was the fact I was a member of the Legislature, but there didn't seem to be any heavy work load interfering with the response. I shouldn't be complaining about that, but it is a fact.

My own feeling, of course, is complimentary to the minister as an individual, but I still am not convinced even that the ministry should have, or warrants, a separate and individual existence. This province operated a good long time without a separate department or Ministry of Revenue. I personally feel that while I would think the minister's advice on more general things as well as revenue matters would be valuable, still there must be a big crowd around that cabinet table when you are all there. It seems to me in the interests of efficiency at least, the leader of the government might think of cutting the numbers of cabinet ministers. There would be a saving.

Maybe it would be a little difficult to increase the size of the back bench. There are

these problems which I for one have not experienced, as far as either being in a cabinet or trying to organize one.

I would say to the minister, and there is nothing derogatory in this in a personal way, I do not believe the Ministry of Revenue, per se, is necessary. The organization of the collection of these taxes is fairly standard. The minister speaks with some pride of the year-to-year, or perhaps month-by-month, improvement of efficiency, but after all, this has been going on now under the leadership of one political party for 36 years. If you can't collect taxes pretty efficiently now, then I don't know the explanation.

I don't know of any great complaint about the tax collecting procedure. Just as a footnote, it has been brought to my attention by some of those tax collectors who remit the sales tax to the minister that if through certain circumstances they are late in the remittance of the sales tax, they not only lose the four per cent fee they are given from the generosity of the Treasury for their work, both for the collection and the forms associated, but they pay a penalty of an additional five per cent.

In other words, it is sort of a double whammy that is visited on them when, perhaps being reasonably small retailers themselves, they are not equipped nor even interested in the heavy responsibilities they have as being among the thousands of working minions of the ministry.

It seems to me a great deal of the low costs the minister reports when he collects his taxes is because the people who actually do the work and take the pennies and the dollars from the retail purchasers are paid at such a low level and are subject to at least the indication of that kind of an unfair penalty.

I know the minister has to be sure the law is obeyed, and nothing would be worse than allowing some of these remittances to get seriously out of date. I suppose this is one way that he has of keeping the retailers in line, but it seems to me to be a rather draconian double penalty which I believe would not be necessary.

The minister may recall—perhaps it was during the early months of his predecessor's ministry that gasoline tax, I believe, got so seriously behind in payments from some of the major collection agencies. I don't believe we have really collected all that was owing in that yet, and there have been a number of committee hearings associated with it.

Mr. Ruston: In the St. Catharines area.

Mr. Nixon: In the St. Catharines area, yes; a very well-known case. So it is a problem. Certainly there has been no evidence from those of us who try to keep a sharp eye on what the government is doing, that the collection of taxes in this province has been seriously remiss in any particular degree, with the exception of one or two cases.

It is not my intention at this time to thrash over some of the problems the minister and his predecessor had in the levying, if not the collection, of the land speculation tax. The famous cases in Brant county were even reviewed by a royal commissioner. Perhaps, when we get into that vote, there will be some details we would like to pursue, once again associated with properties in the Brantford area, where I know there were applications for exemption from land speculation tax but it was never made public to me whether those exemptions were granted or not.

The assessment matter is one that concerns me directly. Although the minister really ended up with that in his own remarks, I think I would begin with it. He has given us a further explanation, following the remarks made by his colleague the Minister of Intergovernmental Affairs (Mr. Wells) two weeks ago, as to the cushioning program that has been entered into by the government in the application of the new factors.

I am a little embarrassed myself, let alone embarrassed for the government of Ontario, with regard to the fiasco that assessment in this province has been for almost a decade. I had a letter today from the president of Union Gas, the former Treasurer, who had written to me on a matter pertaining to gas service in the area. He made a few personal remarks in closing. It is always good to hear from him.

I will always recall the strong stand he took in the province when, although there was a Minister of Revenue then, he took the responsibility of both ministries in a very real way, even more than the Treasurer today. Nobody's feelings seemed to be hurt by it particularly. It wouldn't have mattered much if they had been.

I very well recall when the decision was made, obviously authored largely by Mr. McKeough, that in order to get any rationalization in assessment in this province it had to be taken over by the central government. The expectation of Mr. McKeough, and those who believed in him, I am sure was that the takeover would be followed by market value reassessment, or reassessment on some uniform base, probably within the following two years, and that, while there would be certain problems, there would be nothing the well-known Conservative majority could not

withstand. Unfortunately, and in some respects fortunately, that was not the case.

I personally believe Mr. McKeough's approach, and therefore the government's acceptance of the McKeough approach, was entirely in error. No one has been well served by the centralization of the assessment process. I know the NDP critic has had direct and personal experience of this and might feel it was better to work for the government of Ontario than for one of the local muncipalities. But from my point of view and from my experience I reject the view that it is better that assessment be centralized.

I believe the supervisory powers of the province, through the Ministry of Revenue, could very well have been brought to bear to bring about the degree of uniformity which would have permitted the province to make its grants for education and municipal purposes on a fair and equitable basis without disrupting the situation to the extent that the last decade has meant that our local tax procedure and taxes payable have been anything but fair and equitable, and anything but understandable.

On the other hand, they have been completely disruptive. They have had more to do with the breach developing between the municipal elected governments and the government of Ontario on the one hand, and the loss of confidence between the people and the local government on the other, than anything that could possibly have been imagined.

To begin with, the cost of assessment skyrocketed. This is always what happens when the unitive government, taking over a direct function, becomes large, either in the case of a regional government or in this case, centralizing assessment at the provincial level. Immediately, more staff had to be hired. Immediately, all salaries were raised to the highest common denominator. Immediately, the offices that had been serving the municipalities became completely inadequate and new premises were purchased or built on new properties. I won't even add the footnotes about the lands acquired from good loyal Tories from one end of the province to the other to serve the assessment requirements having to do with offices and property and the rental of those facilities.

This may just be an observation that my jaundiced eye perceives unfairly. Certainly the perception is one that it was a bonanza for good and loyal Conservative supporters waiting their turn to line up at the trough over these many years. Once again, they were not disappointed. Mr. Chairman, it's not necessary for you to nod your head at this time. All right, shake it.

Immediately following, it was believed that rather than allow what the Treasurer, who was also acting as Minister of Revenue—although I believe there was a Minister of Revenue, maybe John White in those days—perceived to be this growing inequity in assessment and the factors that controlled it, the grants that controlled the grants, they were frozen in 1970. During all those years, until the freeze was removed, the minister indicates by approval of all parties, the pressures for inequity increased. The minister knows, and so does anyone who has studied this even in an amateur way, that the pressures on the values of rural properties were probably the most dislocating of all.

My constituency is probably one of the most rural of any represented in this House. I could argue with my colleague, the member for Essex North and others, but the largest municipality I have is the town of Paris at 6,000. Some of the areas that have been regionalized have artificially large municipalities, but in fact, when one goes into them, one knows that reality is considerably different from the unreality imposed by the Conservative government in the regional government reorganization.

Mr. Ruston: The only place to stop in Paris is at old highway 2 at the Whitehorse restaurant.

Mr. Nixon:: That's right, and now it's a pizza parlour. A very, very fine pizza parlour.

Mr. Mancini: Yes, I love pizza.

Mr. Nixon: Ah yes. The rural areas, of course, have been increasing in productivity. There have been changes brought about by judicial review of assessment procedures that have dislocated the assessment to some extent.

Some of the tobacco lands, 50 years ago, were the poorest agricultural lands one could get. I think most of it was designated as fox sand and it tended to blow over the sideroads in the old days when the wind blew. Things have changed dramatically. Those are now the most productive lands in Canada and valued for the farm crops.

In some of the townships in those areas, including Burford, which the minister referred too, the assessment was adjusted to compensate for the values of the crops producible from these special lands. The courts eventually found on appeal that that was not an acceptable method of assessment. That meant the township assessment was thrown into a cocked hat. In order to change it, they

appealed to the ministry and a section 86 reassessment was granted.

[9:15]

I must give the assessment officials a good deal of credit. They certainly went out of their way to see that anybody who could possibly be interested in learning about the reassessment procedure under section 86 were informed.

The minister personally, as he will recall, took the members involved under his wing and with his officials explained it and really tried to give us a response to any kind of complaint or even expression of fear that we might get. Personally, I think that was well worth while for many reasons. I cannot say to the minister and his officials who are listening that there have been no complaints from Burford. I really haven't had very many valid complaints or ones that really were worthy of taking further. In each instance, as far as I know, the ministry officials have followed them up either with a personal call or in a way which was satisfactory from my point of view.

I cannot say that all of the property owners are satisfied because we know that whether they got reassessment or not, in order to pay for local services the taxes to be collected have gone up. For a number of reasons, the minister might say they had to go up. They've gone up, and people will say, "That's because of this reassessment." It's a difficult thing for the minister and perhaps even for the member, an opposition member, to cope with. I can always blame the minister, as he knows, and say that the damned Tories and their policies have done this.

To a great extent, the Tories, whatever adjective you want to use, have been the author of any problem they are experiencing. In their greater wisdom, or so they thought, they took over assessment from the municipalities. They froze the factors. They delayed any approach to change to the extent that the author of the whole system, I think in some embarrassment, simply walked out on the government and went back into private industry, more or less washing his hands of the whole bunch of them.

After all, one person can't be dictator, however effective a dictator he might have been. It's not the sort of government even the Premier is able to run or wants to run. It seems to me the problems you have experienced both in section 86 reassessment and the general reassessment problems are your own responsibilities.

When the new factors were announced in July, there was a calm quietness for a few days or weeks, almost like an upcoming thunderstorm, and then it came. It really came, and it must have been tougher on the minister and his officials and the back-bench Tories who would speak to the ministry even than it was on me.

In my own rural township, which is a complete farm township, South Dumfries, we would have had to find an extra $250,000 for education alone. I suppose all these numbers are relative, but I can assure you in a farm township with about 8,000 residents that was shocking. Our other levies for county purposes went up somewhat in proportion.

Although this township has very good farms, and I feel personally that I happen to have the great fortune to own one, about a third of the township is not good farm land. It's rocky and full of bush that is not commercial. It's not even pasturable. There are streams in it and very steep hills. While it is the last thing that I would be looking for if I had a dairy herd or any kind of farm operation, it is exactly what people who are highly paid civil servants or professional people in Toronto are looking for as a place away from the city in which they can have a home with a real wood fire. They can have their own stream. They have a nice road, where it's possible to get snowed in on occasion. They can keep a few horses. They can have a patch of garden and some other interesting plants that are grown back in these areas.

The value of those properties skyrocketed. It really threw out the value of the local farm land completely because the land that was valuable under the traditional concepts of land didn't go up that much. It went up some, but the scrub land that was always sitting there with tenant farmers and people selling the farms every four or five years when they got into trouble was purchased by people who made their money—and lots of it—elsewhere. The white-painted fences went up. The ponds were dammed up and cleaned. The prize cattle were brought in and shown at all the fairs.

The local people were, I wouldn't say moved aside, because most of these people when they came in fitted into the community very well indeed, but when it came to apply these reassessment factors, it was really disastrous. They had been frozen too long, and the centralization of assessment had its dislocating effects. We had the visits of the assessment experts with their tape measures prying into the clothes closets to see what was going on. We, I suppose, had to bear that. I had some complaints about that, but I don't think it was anything too serious.

I even had the member for Hamilton Mountain (Mr. Charlton) coming up to my farm to look over what I choose to call the Beverly field. There is not a building on it; there is no development or improvement on it of any type, and he reassessed that to the benefit of the local municipality. I have no objections; I don't mind paying the taxes. It is a pretty productive field. As a matter of fact, it was being ploughed today—33 acres; pretty hilly but very productive. It is valuable land and certainly well worth paying taxes on.

It became apparent the assessment factors were simply inadmissible, and the government couldn't stand the strain. Even if they had a big majority, the injustice of the thing was so apparent somebody had to find an answer. The answer, I suppose, is sufficient for the day, and that is probably what the cabinet decided, "Let's get ourselves through another year somehow." Really, this has been the basic tenet of assessment policy ever since it was taken over by the province. There was every expectation that somebody was going to come up with a working solution or a workable solution; but you haven't and you haven't got it yet.

I find the fact it is just there for a year is an admission it is nothing but a Band-Aid, and not even a very good Band-Aid. There is no indication of what the program announced by the Minister of Intergovernmental Affairs (Mr. Wells) will cost. I don't believe it has ever been announced, and the minister is not indicating to me one way or the other. There has been no indication of what the cost will be.

Hon. Mr. Maeck: I have heard the figure $50 million. That's both municipal and education.

Mr. Nixon: Right. The fact that it is for a year means there is not a clear understanding of it. I don't really believe that. We can see the assertions made by the minister tonight, and his colleague a few days ago about the five per cent leeway, and that no municipality will get less money than they would have got under the old system and so on, and that's fine. In other words, the slack in the program and the uncertainties of it are mostly with the government.

They have not announced their grant packages for the coming year, as far as I know, so there is still a considerable amount of uncertainty in the minds of the municipalities. They do not feel there is any kind of a partnership with the government here at Queen's Park, and I really regret this.

I will tell you there was a time when I thought I might have something to do with government, and the idea of a new partnership with the municipalities appealed to me. I got the idea, frankly, from John Robarts. He used to talk about a new partnership with the municipalities and that, "We are going to deal with this together. Sure we have the senior responsibility, but we are working at this together"; and despite the best of intentions it has never worked out that way.

It may be the government had bad advice. I don't mean from the civil servants, because they are supposed to give you a range and you select what you think is possible and come up with alternatives of your own if you can, you select your own advice. The whole approach, through regionalization and through assessment, has meant the municipalities really do not look to the province with anything but fear. It is not fear of some great powerful senior government that is going to come down and catch them at something, it is the fear that the senior government, which is supposed to know what it is doing, does not.

A lot of people at the municipal level are capable and well experienced, and they would much sooner be there than here in the Legislature or in the Parliament of Canada. They feel they are close to their taxpayers. They love municipal matters. Many of them are very expert and would make very good ministers, certainly very good opposition members. As a matter of fact both of us are always looking for people with municipal experience to run for us, because we deal with these, or should deal with these matters here. But what they say to me is, "We don't think they know what they're doing down there—" that is the minister. "We don't think they know what they're doing. Sure they'll get through the next year, but it's a matter that is ad hoc. We don't feel there is any direction to municipal affairs. We feel that the government of Queen's Park is off balance and their reactions to that situation put the municipalities off balance." They find it embarrassing to approach their ratepayers because of that; it has been a seriously dislocating matter and it continues and continues.

We really don't know what the future is going to hold. The fact is that this has been done for a year and we say, "What are you going to do? Are you going to wait for an election hoping you're going to get your majority?" Then you'll say, "These are the new factors; then during the next year it's going to be market value, we're going to section 86 everybody or something like that." We just do not know.

Maybe the minister, who has probably as much common sense as anybody who has

been dealing with this for a long time, as to what will sell and also what's fair—I say this most sincerely, I really believe it—maybe the minister will say, "We're going to do a certain number of municipalities under section 86, and then we're going to do more and more of them." The municipal people go to these conferences and they realize that the approach through section 86 is as fair as a piecemeal program can be, and maybe the minister is going to find them coming to what is eventually a reassessment across the province through the section 86 doorway. That may be; maybe the minister is just waiting to see what will happen there.

I personally don't feel confident that that program has received any leadership and I'm not guaranteeing him my support for whatever he does. I'll tell him that and he knows that. It's our job to criticize. We'll support him when we feel we can, but we are not looking for reasons to support. We'll support him when we feel there is not a viable alternative procedure.

We felt it was wrong to take over assessment in the first place. We felt that the power of the province could be used in some way to direct and moderate the local assessment program, which could be left at the county or regional level, in such a way that the minister's grant program could be applied fairly and equitably. There would be a certain degree of ad hockness to it, but an upgrading of the municipal-provincial liaison concept could have, in my view, kept that under control. I felt that would have been the best approach. I said so strenously at the time, and I believe frankly we were right in our criticism.

The next thing I want to talk about is the Province of Ontario Savings Office. I notice it's one of the few offices where the amount expended has gone up and the amount the minister is requiring has gone up. We'll get some detailed information about that.

I know that in all parties, Mr. Chairman, there is a division of opinion on the Province of Ontario Savings Office. I felt the Treasurer (Mr. F. S. Miller) always wanted to close it down. He felt that if we weren't going to do anything with the savings office we should not keep it around. I noticed in his list of prospective cutbacks in government toward a balanced budget that would be a thing that should be simply shut down.

I can tell the minister that I've talked to colleagues of mine who agree with him. I don't agree with him. I feel very strongly the other way. So obviously when I'm talking about this I am not declaiming Liberal policy, I'm expressing my view as a member of the Legislature who has been interested in the savings office for a long time. There was a time when the government of Ontario was going to upgrade the savings office to a near bank. The bond houses in New York and downtown Toronto were not prepared to express confidence in the credit of the province in 1934 and 1935 and were expressing a certain degree of unwillingness to buy the bonds that were needed to run the government of the day.

The Premier of the day, being a very progressive populist type, said to them, probably over a light lunch somewhere, that if they weren't going to do it he would simply sell them across the counter at his own banks. They knew he was prepared to do it. I tell the members he was, and I frankly would not have regretted it if he had. Under that threat they soon came around and handled the bond issue, and certainly we've always been able to pay off our bonds here. The whole basis of our AAA rating was established in those days, as I am sure all members would agree.

[9:30]

Mr. Rotenberg: Who was the Premier then?

Mr. Nixon: Mitchell Frederick Hepburn.

Mr. Rotenberg: Who?

Mr. Nixon: You're the only person here who doesn't know, David.

Mr. Rotenberg: Those were the bad days here.

Mr. Nixon: It may be because I have heard the stories about the usefulness of the Province of Ontario Savings Office that I feel we should do something with it. It seems to to me the push and pull in the cabinet over the savings office has been about equal. The sawoff was: "We will do nothing with it at all. We won't open new branches; we won't close any branches. There will be very few adjustments."

I was glad to see a few years ago that some of the offices were renovated; they are quite pleasant places. During the last few months the savings office has been doing a land office business in deposits, and I congratulate the minister. I think that is a marvellous thing. I would hope the savings office would go into the business of guaranteed deposit certificates. I see the ads now in the Globe and Mail are talking about 13.5 per cent. If private enterprise can take $1,000 of a citizen's money and give him 13.5 per cent for a year or longer, then the government should be able to do it too. The

government doesn't have to make a profit, and it's certainly borrowing lots of money for its own purposes, and for Hydro's as well.

I almost get the feeling that, if the government can't go into the market for half a billion dollars, it's hardly worthwhile fiddling around with the paper; the minister can phone Salomon Brothers, or whoever they are, and say: "Hi, it's me again. Will you crank out some more of that stuff? Hydro needs some more."

I have often felt that the Province of Ontario Savings Office—we don't have to make it a bank—could be a vehicle to give the citizens a much readier access to a safe, convenient depository that pays good interest, and one where they know their money is being invested in the development of the province. I want to talk later about the small business development corporations; the savings office could be very closely related to them. In fact, the Ontario Development Corporation could be made a part of the savings office and could be expanded in that way.

I suppose the big banks wouldn't like it. Since all retiring Premiers and Treasurers go on to be directors of big banks downtown, there is a tendency for the government to know what the big banks like and what they don't like. I really think this would be a great thing for us to do, but I don't think a Tory government could ever do it.

When one is a back-bencher, there is the thought: "God, maybe some day I will be a parliamentary assistant. Then maybe I'll be Minister of Revenue or something like that. Then maybe I'll get to be" —forgive me—"a real minister. And maybe when I leave there I will get to the board room of the Bank of Montreal and sit in Leslie Frost's very own chair, on which there is probably a plaque." There is always something in the Tory hierarchy to draw one on and to keep one's decisions and actions very much in line. So I don't really think the Province of Ontario Savings Office is ever going to do anything but just sit there like a mummy. Nothing is going to happen to it until life is breathed into it by a new government.

I am very interested in this, and I would suggest to the minister that he has an agency which is probably ignored by most people, but the people who know about it respect the savings office. It opens earlier, stays open later and pays better interest than the bank. It has got nice cheques, just like a real bank. The offices are pleasant; they are reasonably convenient in most places. Lots of towns don't have them and never will have them unless the government does something about it.

In my opinion, this is a vehicle where somebody like the Minister of Industry and Tourism (Mr. Grossman), somebody who is on the cutting edge of government—and it is hard to find that; there are a few little things happening, and probably that minister's is one of the areas where something is happening—is going to come along and use that.

I suggest to the Minister of Revenue that he could be the person to recommend that. Why doesn't he push things in his ministry a little bit more? I've told him this before. There will never be a better chance. The Treasurer is not going to give the minister a hard time; he couldn't even close the Willett Hospital, he is not going to give you a hard time. As he says, he's Tarzan and everybody else is Jane. He said that himself, which means we don't really have to take him seriously; and the minister doesn't either.

This is an instance where the Ministry of Revenue and the minister can assert themselves. This is under his responsibility. Let's see him sell it to his cabinet colleagues. He's a long way from being on the board of directors of the Bank of Montreal. It can happen, but it's more likely he'll be vice-chairman of the Timiskaming and Northern Ontario Railway, or whatever they call it these days.

That figure of 13.5 per cent attracted me. I certainly wish I had some money that I could invest at that rate. I have to sit on select committees just to put food on the table. Man cannot live by soybeans alone.

Mr. Ashe: That's just petty cash.

Mr. Nixon: That's right. There's just one other thing I want to say about the banks. I use the bank like everybody else does. As a matter of fact they really do a lot of business. You can't go to the bank without getting in line any more. Have you noticed that?

The Bank of Montreal at St. George is very popular. It is the most popular place in town. I should tell the minister that we don't have a liquor store there, but other than that it is the most popular place in town. There is a lineup there all the time and even in the great banks downtown. Some of these new buildings are world-class buildings. When you go into the banking hall it really takes your breath away. You think, my God, we built all this with our little deposits. It's really amazing.

You have to line up there. They have about 15 of these little places with the nice ladies. There's a sign saying, "Line up here." They have velvet ropes that keep you under control

as you go in to give them your money. Boy, the banks in this country have got it made. I was interested to see that the federal Bank Act was passed by the Parliament of Canada, but I was once more deeply disappointed. I pretty well knew what was involved in it—as much as I can understand it, and it's a mystery largely; but really very little, if anything, was accomplished.

Mr. Rotenberg: Which party passed that?

Mr. Nixon: The brain work was done by the Liberals and the Tories came along and passed it. Maybe they'll do better some other time, but they may not have a chance. Really, nobody has done anything really significant for the country with the Bank Act for a long time. We don't do anything here, we can't really do much about the Bank Act, but under the Ministry of Revenue we do have that bank capital tax—is that what you call it?

We discussed this when there was a small amendment to it. When we look at the colossal, obscene profits the banks are making in this country it is absolutely astounding that we tax the banks in this way.

It makes me feel as I felt when I was a tourist in Nassau. I went on one of those charters, an all-in charter. You stay at the Holiday Inn and it's really marvellous. You go downtown and see the wealth around in certain places. Then you look at the town and the services that are provided for the real people there. Back off the main street you see the little storekeepers, the little homes and what they have there. They don't even have sales tax. They don't want to hurt the business people who take their money down there.

I feel the same way here. We are almost like the government in Nassau when we look at the banks. We forget that we have the responsibility to act and tax and deal for the people. We really have allowed bank profits to get out of hand.

You read that a wise investment is to buy bank stock. That would be almost as good as buying some of those investment certificates I was talking about, if I had any money.

Interjection.

Mr. Nixon: The member for Wellington south is an expert. I'm telling him if he just hangs on to those stocks probably they'll be worth more in the next six months than they were in the last.

Mr. Worton: If I can hang on.

Mr. Nixon: I know he is pressed to the wall, but those stocks are very valuable. The tax we put on them is just an embarrassing insignificance. We ought to hit those birds, and I really mean it. We could do something with that as far as the revenues of this province are concerned.

The Minister of Revenue may make recommendations, but of course that, surely, is the responsibility of the Treasurer. I would hope we'll have a chance to discuss that further.

Small business development corporations I find to be an interesting idea. It was announced in the budget, but we really haven't heard much more about it. The idea we could form these corporations and would get a share credit from the province equal to 30 per cent of our investment is an exciting idea.

The very first time the federal government brought out their concept of registered retirement savings it was a good idea. We could postpone the tax on our otherwise taxable income to build up a retirement fund for ourselves and pay tax on it when we used it. The registered home ownership is another good idea. This could be in the same category.

I see I'm driving the audience out.

It could be in the same category. I don't know why the government can't get on with it a little more effectively. I would suggest to the minister he could utilize the savings office facilities to bring this out to the people a little bit. Maybe there is something of significance to report about this. All right, the minister is nodding that is so. There is lots of money in this province and most of it is scared money. It's in Canada Savings Bonds; it's in these bank deposits which look like high interest, but the effective interest is very low indeed compared with the rate of inflation. All these things are relative.

My good friend, the member for Kent-Elgin (Mr. McGuigan) in a comment the other day, brought home a very simple truth to a lot of us when he said the real interest is the difference between the rate of inflation and the per cent you're getting. It seems to me we could give the kind of recognition for savings to the people of this province that would put this capital to use in our expanding industry, and particularly our small business, through the concept enunciated in the budgetary statement.

Frankly, I've been disappointed at the lack of action. Most people have forgotten about it. Canada Savings Bonds are being pushed at us now. The government has already raised the interest rate once or twice since they were announced. Most people are still waiting until they're a little nearer the 15th to get the advantage of those extra few days

interest, but if they've got some cash, if they're the kind of ordinary investor like myself, and maybe like the minister, they will say, "At least it's safe there." Nobody can criticize the minister for putting all that indemnity and extra money into a savings bond; you can always get it out if you need it, and the interest is payable. But the province of Ontario ought to be offering the same kind, maybe even a little better deal for the taxpayers and the savers in this province.

This province is made up of a lot of people who save money, believe it or not. There are lots of people down at the Eaton Centre throwing it around. That's fine, I suppose that keeps the wheels of business going; but most people really save money. This province has learned how to do that, but we've never learned how to put it to good use for the development of our own economy and our own business, particularly small business. I'll be interested to hear what the minister has to say about that.

I think that's about all I wanted to cover.

Mr. Worton: We can use the banks for offtrack betting.

Mr. Nixon: The honourable member makes a very interesting comment there. I'm not in favour of offtrack betting myself, but I suppose if it were so, after all we're very big in the lottery business and maybe the banks would have, or at least the savings office would have, a function there. I'm not recommending it; it's an interesting suggestion.

I certainly didn't mean to be in any way personally critical of the minister. I've said it many times, I believe he has the potential, in a very common-sense way, to be an extremely useful force in the government and in the province. I would simply tell him again that he should not hesitate to move forward into what I consider to be a certain vacuum in the front bench of the government.

[9:45]

As I said to the Chairman, Management Board of Cabinet (Mr. McCague) the other day, there is nobody who is really concerned about cutting costs since Mr. McKeough has gone. There is nobody. I don't feel the chairman of management board is. He is retiring, I have a very high opinion of him but he is somehow retiring. I said to the Premier (Mr. Davis) this afternoon in his estimates that a popular management board chairman means there is something wrong. Maybe he gives his colleagues a hard time but there is no indication to us that he does. I would like him to get tough, even about small things like deputy ministers' cars; I thought I would throw that in.

The Treasurer; I feel there isn't a great tough force and thrust there for new programs. The Premier is going along and going to renew his majority or—I can't say die in the attempt, but he will damn well come close to it; he is going to renew his majority or burst, so what he is going to do is what is going to be saleable to the public.

I feel in the government there are people who are sort of upwardly mobile politically, and you can understand what they have in mind; but somewhere in the government there has to be somebody who is really thinking about the business of government; not thinking about how they are going to get a senior position or how maybe they are going to contest for the premiership some day, but in fact that they are a part of the big business of government with a fantastic responsibility, in our system almost a religious responsibility, to see that the work is done well, that the people are properly served, there are no undue ripoffs and there is somebody who is tough. I don't know who is tough over there. I don't think anybody is, but I am saying to the Minister of Revenue he could be the one if he wanted to do it.

On motion by Hon. Mr. Gregory, the committee of supply reported certain resolutions.

The House adjourned at 9:48 p.m.

CONTENTS

Monday, November 5, 1979

Estimates, Office of the Premier, Mr. Davis, concluded 4221

Estimates, Cabinet Office, Mr. McCague 4225

Estimates of the Ministry of Revenue, Mr. Maeck 4225

Adjournment 4239

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Conway, S. (Renfrew North L)
Davis, Hon. W. G.; Premier (Brampton PC)
Edighoffer, H.; Chairman (Perth L)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
Mancini, R. (Essex South L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Rotenberg, D. (Wilson Heights PC)
Ruston, R. F. (Essex North L)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Worton, H. (Wellington South L)



No. 102

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, November 6, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

TUESDAY, NOVEMBER 6, 1979

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

DRYDEN PULP AND PAPER OPERATIONS

Hon. F. S. Miller: I will wait until copies of my statement are delivered so that I will be abiding by the rules. Now that protocol has been met, my statement this afternoon is of major significance to the town of Dryden.

Today Great Lakes Forest Products Limited will announce an agreement with Reed Limited and Reed International Limited whereby Great Lakes will purchase the assets of Reed's complex at Dryden.

The purchase will include the current assets and all fixed assets of Reed's Dryden pulp and paper mill, together with its chemical plant also located at Dryden, a sawmill located some 40 miles west of the community and associated woodlands operations, including its 6,900 square miles of crown timber licence.

Great Lakes plans to undertake a major modernization and expansion of the Dryden area complex at an estimated cost of $200 million. This will involve rebuilding the production facilities to make them as modern and competitive as possible, thereby ensuring the long-term viability of the operation and a healthy future for Dryden itself.

I would like to say a little about Great Lakes Forest Products Limited. It is a unique company. Its entire operations are centred in northwestern Ontario. All the company's employees, including senior management, live and work in the region. It is Canadian-owned, with 98 per cent of its shares held by Canadians. Over the years Great Lakes has successfully implemented a number of modernization and expansion programs and, at the same time, has shown innovation and concern in environmental matters. Today Great Lakes is a large, fully integrated and modern company with a proven record and reputation.

With the involvement of a company of this calibre with its substantial financial resources and demonstrated track record for following through on its plans, I am confident the future of Dryden will be ensured.

As I mentioned, Great Lakes has immediate plans for capital expenditures of some $200 million on the Dryden area operation, which includes $40 million for environmental improvement. The company expects that approximately 95 per cent of its total expenditures will be made in Canada. It is anticipated about $40 million to $50 million will be spent on goods and services in northwestern Ontario. Much of this spending will be of benefit to the immediate Dryden area.

The program proposed by Great Lakes for the Dryden operations will meet and, in a number of cases, exceed current environmental standards. The improved operations will result in a betterment of the environmental performance than under the previous control order.

While the company expects to operate as many of the existing facilities as possible in the interim, expansion of kraft operations will necessitate at the appropriate time the diversion of pulp currently required for the fine paper operations into the main production stream in Dryden. Consequently, the company plans to phase out the existing fine paper operations. This will be done in consultation with employee representatives and will be carried out in a reasonable and practicable manner so as to minimize any disruption or hardship to present employees.

It is significant to note that at the peak of the modernization and expansion program as many as 400 or 500 construction and related skilled jobs will be created. Also, the company has advised that the expansion of the present woodlands activity to support the new complex will create 200 new permanent jobs.

Included in the company's program is a new sawmill facility to replace the sawmill located west of Dryden. The location of this has not yet been determined, but a number of sites, including the Ear Falls-Red Lake area, are under consideration.

Also, in addition to its immediate plans, Great Lakes is actively considering the installation in Dryden of a modern highspeed newsprint machine—an additional investment of $190 million—which would be integrated with the expanded mill and create approxi-

mately 400 more jobs—125 in the mill and 275 to 300 in a further expanded woodlands operation.

Members of this House are aware of the environmental problems of Reed Limited and its predecessors in the Dryden area. These have been a major impediment to the sale of the Dryden operation, because of possible liabilities for past environmental damages.

In order to resolve this matter, and to ensure the economic health of Dryden, the government has given an undertaking in the form of a letter to indemnify Great Lakes Forest Products Limited against possible liabilities over a stated amount. A copy of the letter to the company explaining the terms of this limitation is appended to my statement.

The Ontario-Canada Pulp and Paper Facilities Improvements Incentives Program was established to provide incentives for investment in this industry, and it may well be the company will apply for support under this program.

Mr. Speaker, today a message is being prepared and provided to all Dryden employees by the chairman and president of Great Lakes Forest Products Limited, Mr. Charles Carter. In his message, Mr. Carter states: "We are committed to putting in place a modern pulp-and-paper-producing complex that will be viable many years from now, thus giving job security and stability to all the families associated with us." I'm attaching a copy of that letter to this statement.

Great Lakes is proposing a tremendous undertaking, one which promises to bring significant benefits to Dryden, northwestern Ontario and the entire province.

ONTARIO STATUS OF WOMEN COUNCIL

Hon. Mrs. Birch: Mr. Speaker, later today I will be tabling the fifth annual report of the Ontario Status of Women Council.

This council brings forward to government the concerns of women on many issues that affect the status of women in our province.

Its recommendations are researched and prepared by its four working committees on child care, education and recreation, labour, and women with special needs.

Council also distributes its briefs and publications widely throughout the province and other jurisdictions and liaises with existing women's organizations.

Lynne Gordon, council chairperson, is in the gallery today and I would like to express my personal appreciation to her, and the other 15 members of the council, for the enthusiasm and persistence with which they have pursued, and continue to pursue, improvements in the status of women.

ASSESSMENT AND TAX LEGISLATION

Hon. Mr. Maeck: Mr. Speaker, later this afternoon I will be introducing two pieces of legislation.

The first is a bill to amend the Assessment Act. These amendments will allow the government to continue the freeze on municipal assessments pending the introduction of property tax reform. In the absence of the freeze, assessments would, as members are aware, move to market value and cause unacceptable tax increases on single family residences and farms.

Also included in the bill is a provision to clarify the use of section 86 of the Assessment Act to reassess properties equitably within their property classes. This past year, some 14 municipalities were reassessed under section 86, and 106 municipalities are actively considering reassessments for 1980 taxation.

The amendment is being put forward to indicate to municipalities that notwithstanding the current wording of section 86, it is the government's firm intention to give them the opportunity to use the section for the purpose of general reassessments. This reassurance is warranted, I believe, as there are three challenges to the use of section 86 for purposes of reassessment now before the courts.

While I am confident the courts would ultimately agree with our use of section 86, it would take several years to decide the matter finally. Therefore, it is sensible to settle the issue now with an explicit provision in the act.

Finally, the amendments freeze the use of the recently Gazetted equalization factors for the purpose of valuing transmission pipelines as well as the generating plants and transformer stations of Ontario Hydro. Ordinarily the pipeline and Hydro assessments are based on the use of the latest equalization factor and would be substantially reduced in 1980. The amendment will ensure they remain compatible with the other frozen assessments and the municipalities will not suffer an unexpected loss of revenue. **[2:15]**

The second bill I will be introducing this afternoon is An Act to amend the Corporations Tax Act, which will significantly further my program to simplify Ontario's tax statutes.

I have long recognized the need for effective administration without complication to or unnecessary interference with the normal business activities of taxpayers. This government and my ministry are dedicated to this particular concept. Consequently, my ministry has undertaken a rigorous program having as its principal objectives tax simplification, deregulation, improved taxpayer service and the reduction of paperwork by taxpayers. Our positive approach in this regard has been demonstrated by our legislative record, administrative improvements, tax information programs and reduced demands on taxpayers.

Continuing this thrust, it will give me great pleasure to introduce later today a bill which proposes the repeal of the statutory lien provisions under the Corporations Tax Act. Although this is effectively the last statutory lien remaining in tax statutes administered by my ministry, it has been by far the greatest source of concern for corporations and their representatives.

The statutory lien is an ever-present but undeclared charge on corporate property. For this reason, investors in financial institutions who lend funds to corporations on security and those acquiring corporate assets have to ensure that no lien is claimed by the ministry for unpaid taxes. Therefore, lien clearances have to be obtained from the corporations tax oranch for daily transactions to ensure that property investments are not jeopardized by an undisclosed lien. This results in considerable cost to the private sector.

Wishing to be responsive to the legitimate concerns of Ontario taxpayers, I directed my staff to undertake an extensive review of this lien. Improvements in the land registration system made by the Ministry of Consumer and Commercial Relations, making examination of land transactions easier for all concerned, and advancements in tax administration techniques have greatly diminished the need for the statutory lien in the Corporations Tax Act. Revenues can be protected without the need for impeding the entire corporate taxpaying population in their day-to-day business pursuits and transactions.

The development of more effective collection methods, concentrating on delinquent payments and noncompliance with statute requirements, has enabled us to protect revenues where the statutory lien provisions have been repealed to date. This gives us every reason to expect the same result with respect to corporation taxes. In view of this, I believe the statutory lien is no longer required under the Corporations Tax Act.

In my ministry's quest for tax simplification and regulatory reform, we have recognized that only a small percentage of taxpayers poses any collection problem and that both the direct and indirect costs of our requirements to Ontario's taxpayers must be a paramount consideration. I estimate that corporate taxpayers incur costs of approximately $1.25 million annually in applying for and obtaining corporations tax lien clearances. Added to this is the cost incurred by individuals who have to obtain lien clearances where they are acquiring property which at some time within the preceding five years was owned by a corporation.

Because of the 20 per cent growth in lien clearance requests, taxpayer costs in this area would escalate substantially if the program were to continue. Over 200,000 applications for lien clearances are received yearly. For 80 per cent of these requests, approval is automatically given. The proposed measure to repeal the statutory lien will relieve the vast majority of taxpayers from complying with the present lien provision and thus represents a major step towards deregulation and tax simplification.

ADOPTION LEGISLATION

Hon. Mr. Norton: Mr. Speaker, since the new Child Welfare Act, 1978, came into force on June 15 last, certain sections of the legislation have been interpreted by certain family court judges in a manner which is causing serious difficulties for children's aid societies and for children being served by those agencies.

The difficulties are based on an adherence to the letter of the law, which is overshadowing the intent this Legislature sought to express and is thereby causing inordinately long delays and procedural hurdles in the court proceeding brought to determine the child's future care. The problems have affected, in particular, children who are awaiting placement with prospective adoptive parents. I am informed that many children are being adversely affected at the present time.

Some of the problems of interpretation have been resolved by staff training, professional development seminars for judges and related activities. I will introduce later today a bill to amend those particular provisions of the Child Welfare Act, 1978, which are causing a degree of difficulty that can only be remedied by amending the statute.

Allow me to elaborate upon the most significant of these changes: First, the definition of "parent" in the Child Welfare Act, 1978, has been given an interpretation which far exceeds the breadth intended by the act. As I indicated when Bill 114 was introduced into the House, our intent was to recognize

a broader class of parent—in particular, the father of a child born out of wedlock—than that defined by the old child welfare law, but to stop short of recognizing all putative fathers, simply because the efforts to identify and locate a person who has fathered a child may introduce major delay in the development of an appropriate plan for the child's care.

The bill I am bringing forward will re-enact the definition of "parent" to include fathers of children born out of wedlock only if they have in fact demonstrated some wish to be involved in the proceedings or some involvement with the child.

The bill will also clarify that guardians of a child have parent status only if they have been appointed by court order, and that persons whom the child regards as psychological parents—for example, the so-called settled intention parent—have status only if that settled intention to treat the child as a child of the person's family has been shown within the 12 months immediately preceding the court application brought on the child's behalf.

Secondly, the Child Welfare Act, 1978, did not specifically address children who had been relinquished for adoption in accordance with the consent requirement of the old law and who were on adoption placement at the time the new act was proclaimed. Some courts have required the additional consents required by the new act as a condition precedent to the adoption order, with the result that these children are caught in a legal limbo while the placing agency attempts to locate persons who may be encompassed by the broadened definition.

The effort is particularly arduous if the child's mother has disappeared during the six-month adoption probation period, believing that her surrender of the child, in accordance with the old law, released the child to adoptive parents.

Our amending bill will introduce a provision which allows an adoption order to be made for these children, if the consent requirements of the old act were met and if the child was on adoption placement on June 15, 1979.

Thirdly, although the Child Welfare Act, 1978, was silent as to the entitlement of a birth parent to notice of the adoption hearing, some courts have been requiring the applicant to serve birth parents with formal notice of the hearing and the accompanying adoption application. That, of course, identifies the adoptive parents to the child's birth parents and has the potential of bringing them face to face at the hearing. Even if the birth parents to do not respond to the notice, the procedural requirement may resurrect an anguish these parents have tried to put behind them in the months which have followed the decision to place the child for adoption.

The bill will introduce a section which specifically provides that no notice of the adoption proceeding be given to a parent who gives consent to the child's adoption or whose consent has been dispensed with, or to the parent of a crown ward.

The bill I am introducing will deal with a number of other matters of detail as well. The Ministry of the Attorney General is revising certain rules governing procedure and practice in the provincial courts, family division, to complement these changes to the Child Welfare Act, 1978.

Mr. Speaker, based upon informal consultations with opposition party representatives, I look forward to an early passage of this bill to remedy the difficulties I have described, in the spirit of co-operation which characterized the consideration of the revised Child Welfare Act last year.

MINISTRY-OHC AGREEMENT

Hon. Mr. Bennett: Mr. Speaker, on October 16, 1979, Management Board of Cabinet approved a memorandum of agreement between my ministry and Ontario Housing Corporation. I am pleased to table this memorandum which sets out the corporation's mandate.

Copies will be placed in the members' mailboxes today.

BURNING OF PCBs

Hon. Mr. Parrott: Mr. Speaker, last Friday I released a brief statement announcing a temporary halt to a test burn of PCBs in the St. Lawrence Cement kiln in Mississauga, scheduled for today. I would like to inform the members of the House as to the reasons why, and where this leaves the serious problem of disposal.

Part of the kiln equipment which was necessary for planning a test burn was unexpectedly shut down for maintenance, causing an initial delay of 12 days. That delay, plus additional complications from variable weather conditions, has meant that part of the monitoring system which is needed for accurate test results is not functioning at top efficiency.

The monitoring system is to feed samples of gases in the kiln stack to the TAGA 3000, our mobile air monitoring unit. While the TAGA is ready to proceed, the sampling system is not yet stabilized. There are still

some unresolved problems in temperature variation, condensation and a buildup of particulate matter in the sampling line. Because relatively stable weather conditions are essential for accurate test results, this delay will mean the test burn cannot be conducted until next spring.

I am of course very concerned and very disappointed at this turn of events. The safe disposal of PCBs is becoming a more urgent priority, with the overall risk to society growing as time passes. High-temperature incineration is the possible solution. However, I have given my commitment to Mississauga residents that no tests will proceed until I am satisfied, not only that our technical equipment is working to perfection, but also that such a test can occur with absolute safety.

In the meantime, my ministry staff will continue to co-operate with the community's liaison committee, to keep them informed of the actions we are taking. We are also pursuing our action in the Ontario Supreme Court to challenge the Mississauga bylaw which was passed to prohibit the PCB test burn. A court date has not yet been set.

Since PCBs will still have to be stored in Ontario until a safe disposal method is found, I have instructed staff to continue to keep track of every storage site in the province, and to ensure that such storage is in an acceptable manner.

ORAL QUESTIONS

GAS AND OIL PRICES

Mr. Nixon: I have a question of the Premier based on the Prime Minister's statement yesterday that an oil pricing agreement is expected to be announced within the next few days. Can he assure the House that he has been consulted, as he has been insisting, and was promised, by the Prime Minister? Can he further assure us that the information that was part of the debate in the House of Commons yesterday, indicating a $4 a year increase until 1983, is not a part of the agreement?

Hon. Mr. Davis: Mr. Speaker, I can assure the member for Brant-Oxford-Norfolk and House leader for the Liberal Party of Ontario, two or three things.

Firstly, this province has insisted from the outset that the discussions leading up to whatever may emerge on the question of pricing and the related issues may not be determined prior to a first ministers' meeting. I've had a communication from the government of Canada within the last half hour that there will be a first ministers' meeting on Monday next—while some of the members are spending the day with their constituents; at least I assume they will be.

I restate the situation, and that is that Ontario has never been a party to the existing agreement. As I read the story yesterday, the Prime Minister was indicating that he felt there would be a solution, or a federal policy —and that's really what it is—within the next relatively short period of time.

I am going to the discussions on Monday on the assumption that no predeterminations have been made. All first ministers will have an opportunity to express their points of view to the government of Canada and to the other provincial Premiers, and those discussions will be part of whatever ultimate decision is made.

As I say, I just learned a few moments ago that the meeting was scheduled to start at nine o'clock Monday morning next, in the nation's capital.

[2:30]

Mr. Nixon: Has the Premier any evidence that his assumptions may not be correct? Has he evidence the agreement that has been a part of the House of Commons debate indicating a $4 a year increase until 1983, with increases in the excise tax to accompany those increases, may be a fait accompli? Will the Premier simply be left shaking his fists at his Tory friends in Ottawa and Alberta?

Hon. Mr. Davis: Mr. Speaker, I have no reason to believe any predetermined decisions have been made. I think I am right in this. There is a CP story within the last 15 or 20 minutes quoting Mr. Leitch, the Alberta Minister of Energy, I believe it is—or is it the Alberta Treasurer?—who says he doesn't think they are within days of reaching an agreement. As he would be one of the main participants in any such agreement, it would seem to substantiate my view that no decisions have been made.

Mr. Cassidy: Is the Premier saying there may be an agreement to which he wasn't party, that there was an agreement to which he has not agreed, or is he saying that there is an agreement of some sort? Can he tell the House whether he has been informed of the nature of the agreement, even if Ontario has not given it its imprimatur?

Hon. Mr. Davis: I will try to make it as clear as I can. To the best of my knowledge, and I think I would know, there is no agreement. Ontario will not be a party to an agreement in any event, because we are not involved in the agreement. We have been involved traditionally in the discussions that have led up to what was basically a national and Alberta/Saskatchewan agreement. Those

are the people who actually execute the documents.

So I just reiterate: to my knowledge there is no agreement; if there is no agreement obviously we have no knowledge of a possible agreement; we are not accepting an agreement because we don't know of any agreement. I don't believe any agreement has been reached in spite of the speculative stories that I too have read in the press.

Mr. Nixon: Supplementary: Surely the Premier wouldn't refer to the statement made by the Prime Minister that an agreement would be announced within the next few days as a speculative story. If the Prime Minister says one thing and the Treasurer of Alberta says the other, why would he not assume that the Prime Minister is correct?

Hon. Mr. Davis: I am not assuming that either gentleman is correct. I think what the Prime Minister has said, and I wasn't there when he said it—

Mr. T. P. Reid: We don't blame you for being confused.

Hon. Mr. Davis: No, no. The Prime Minister said he hopes to have an agreement "within several days", I think those were the exact words used. I have used those terms "several days" and "fullness of time." It can mean a week, it can mean two weeks, it can mean a month. Some days it is meant longer than that.

I do have the quote here from Mr. Leitch commenting on the same reports. I will be surprised if we are only a few days away from an agreement. We have the Prime Minister on one hand saying he expects within several days there will be an agreement and we have the Minister of Energy in Alberta saying there isn't an agreement and that he would be surprised if they were only a few days away from an agreement. How one reconciles that within any specific time frame I don't know, but I think it does demonstrate there is no agreement.

Ms. Gigantes: I understand the Premier is trying to be reassuring to us, but could he define more exactly what it is he is reassuring us about? Is he assuring us that if there is an agreement, he doesn't know about it?

Hon. Mr. Davis: I thought I made it somewhat clearer than that. My recollection of what I said was, to my knowledge there is no agreement. I went further to say I think that if there were an agreement I would have knowledge of it. So in that I don't have knowledge of any agreement, I really think I can assure the honourable member that there is in fact no agreement.

Mr. Nixon: Can the Premier assure us, however, that he has made it clear to the Prime Minister and the Premier of Alberta that $4 a year—which sounds as if it is going to be the agreement, whether the Premier knows about it or not—is unacceptable as far as we are concerned?

Hon. Mr. Davis: I think we have made several things clear to the government of Canada, those things which from our point of view are unacceptable and those things that are acceptable. I really don't want to take the time of the House to go through all of them again, but if the members opposite would like me to do so, I will in very short order point out the main direction of what we have been saying.

Firstly, we understand the $1 on January 1. Secondly, we understand the desire on the part of the producing provinces to have an increase as well as the desire on the part of the government of Canada for a variety of reasons. We are saying, before any agreement is reached between the government of Canada and the producing provinces to which we are not a party, certain other things have to be in place.

We have to have a policy with respect to energy self-sufficiency. We have to have a policy with respect to protection of those consumers who would be affected and some consideration given to the very basic concern that I have expressed—which perhaps isn't shared by a lot of other people, but I would hope is—that is, the distribution of the moneys, whatever the price increase may be.

I would point out to the acting leader of the Liberal Party, it is not just the question of the amount of the increase, which is a concern to all of us; it is the distribution of that money, where it is to go, what it is to do in terms of protection for the consumers in the long term, what it does in terms of offsetting the impact for people on fixed incomes, et cetera, and the general economic impact on this province and the other manufacturing provinces of Canada. Those are the things we have said should be in place.

We will present those arguments again on Monday next as vigorously and forcibly as we can, but I remind the leader—or the acting leader—I keep having trouble with that because I am so accustomed to seeing him as leader—that I don't want there to be any misunderstanding. Ontario has never been a party to the agreement and we will not be on this occasion.

I go back to the debates of 1973 or 1974—and I think it is important that we have this in our memory when these discussions start on Monday—when we had the producing

provinces speaking world price then. The rhetoric may have been somewhat different. It may be a little more colourful at this moment, but that was their stated policy.

With great respect to the former Prime Minister, he indicated, and particularly the former Minister of Energy, Mines and Resources, and the Minister of Finance indicated, that they felt we should go towards world price. I tried to be modest the other day and I will try again today.

Mr. Speaker: Try to be brief, too.

Hon. Mr. Davis: Yes, I will do my best, Mr. Speaker, but it is a very important issue. I will tell the members opposite that it was the intervention of this province, because we were not then joined by the other provinces in any sort of aggressive way, that led to the policy we have at present of a moderated increase in terms of the pricing of oil and natural gas.

I can only restate those things on Monday. Of course, I will have some other arguments to add to the discussions that will take place, but I think we have to put it in that perspective and recognize that while we are not a party to the agreement, my hope and expectation would be that the Prime Minister of this country and his colleagues would take into account the concerns of eight-million-plus people of the population of this country as we debate this very fundamental issue.

Mr. Nixon: I want to make it clear to you, Mr. Speaker, I too was present at the energy conference of 1974 and I remember the Premier approving the price increase at that time.

Hon. Mr. Davis: On a point of personal privilege, we didn't approve. The honourable member said I approved it. Ontario does not approve. We did not approve the price increase.

Mr. Nixon: You agreed.

Hon. Mr. Davis: No, we didn't agree. We weren't asked to agree.

INCO EMISSIONS

Mr. Nixon: I have a question of the Minister of the Environment. Does he agree with the statement made on the weekend by Stuart Warner, vice-president of Inco Limited, that the technology is not available for the removal of sulphur emissions from the Inco superstack?

Hon. Mr. Parrott: If that were the total statement and there were no qualifiers, then I would not agree, but I think there were many qualifiers he would have implied. I wasn't present when he made the statement. I saw him twice, I guess, on Saturday, once at the conference and once on a program Saturday evening. I am not sure which appearance the member is referring to.

Mr. Nixon: Since the minister says there is sort of a qualified agreement with the vice-president of Inco and the minister believes, along with the federal minister, that the technology is available, can he tell the House what progress he is making towards establishing a control order with a date by which the sulphur dioxide emissions must be reduced to the point that the acid rain situation is going to be at least partially alleviated from Canadian pollution sources?

Hon. Mr. Parrott: I can advise the honourable member that we have already met with the officials from Inco. I believe another meeting is going to be held with my confrere in Ottawa. Following that, I believe Mr. Fraser and I will have an opportunity to discuss not only Inco but all of the other measures that must be taken on reducing emissions. I am advised specifically that Inco will again visit with us before the end of the year. So I think we are looking very positively to what can be done.

The reason I wanted to qualify to some degree that remark, which I think Mr. Warner qualified in his remarks, was that once one removes the material, it still has to be dealt with because it doesn't disappear. That presents quite a significant problem not only for a company but indeed for us here in Ontario. There are massive amounts of acid which are not easily stored and it can have a pretty profound effect on the environment.

Mr. Cassidy: Has the Ministry of the Environment carried out any independent studies on the economic or technical feasibility of Inco's removing or cutting sharply its sulphur dioxide emissions since 1975? Will he table those studies or any other information he has available? If he hasn't carried out any independent information, how is it the ministry continues to take International Nickel's word that they can't put their reduction of sulphur dioxide in place when this is the most important single source of sulphur dioxide emission in the entire North American continent?

Hon. Mr. Parrott: In answer to the previous question, there is more to it than just whether or not it can be done and whether it is economically possible. As I say, it is awfully important to know what to do with that material once one has it.

An hon. member: Make fertilizer with it.

Hon. Mr. Parrott: The word "fertilizer" frequently comes up, but it is not quite that simple. I had quite an extensive discussion on that. Yes, part of it can be used. But certainly all of it can't be used, by any stretch of the imagination. A good deal of it cannot be used in that way.

It becomes quite a complicated decision that must be made on what to do with that material whether it is removed or not removed from the atmosphere. It still has to be dealt with.

Mr. Gaunt: Would the minister not agree that a study similar to the one that was done with respect to the pulp and paper industry would make a lot of sense? Wouldn't the minister agree that Dr. J. A. Donnan and some other people within his ministry could do that study and give him more basis upon which to make logical decisions rather than just relying on Inco? Would he not agree that study could be done within a period of three months?

Mr. Warner: He will have to ask for permission from Inco first. Ask them if it's all right.

Hon. Mr. Parrott: I am not sure it can be done within three months. I am not persuaded to that time frame but we are considering the possibilities of assessing on an outside basis the economics of removal.

Mr. Cassidy: I would like to return to the Minister of the Environment in order to ask whether I have heard him precisely when he says there has been no independent study by the Ministry of the Environment as to whether or not Inco can economically remove or reduce these sulphur dioxide emissions at its works in Sudbury.

Will the minister then confirm that despite the fact this was originally a matter of discussion with International Nickel back in 1975, and it was then that Inco said it couldn't do it, there has been to this day no independent evaluation by the ministry of Inco's claims?

Will the minister explain why it is the Ministry of the Environment continues to take Inco's word rather than having an independent evaluation about getting rid of that sulphur dioxide pollution?

[2:45]

Hon. Mr. Parrott: Mr. Speaker, thanks to my predecessor, I am advised there was an independent assessment prior to the original order. I think that's correct. I assume by the question that the member is asking about a recent date, subsequent to the 1975 supposed recommendation the member to his right has talked about several times in committee. As I said, we are certainly prepared to consider the possibility of an outside assessment on it.

Mr. Cassidy: So we know what material the ministry had, on which since 1975 it has consistently based its judgement that nothing could be done, will the minister agree to provide to the members of this House all information either developed within the ministry, or provided to the ministry from International Nickel, on which basis the ministry decided not until now to have independent evaluation, and on which the ministry decided to let Inco go scot free and let it continue to pollute the atmosphere with 3,600 tons of sulphur dioxide every day?

Hon. Mr. Parrott: I am certainly not prepared to accept that portion of the question that said "scot free." That's just not so, Mr. Speaker. Secondly, I think in the last six months we have had an extensive amount of debate in committee and Inco officials have been there. The members of the New Democratic Party were privileged to question Inco at great length. The committee itself has issued a report on what it wants to see done.

It's hardly even appropriate to respond to a question that indicates there hasn't been that kind of dialogue, that kind of information, put forward. If it hasn't been done, then I guess I have to say to the leader of the third party his members have been very ineffective.

Mr. Nixon: Since the control orders entered into between the government and Inco in the past have been substantially unsatisfactory in this connection, will the minister tell the House that the negotiations and the decisions leading up to the next control order will be held in public, so all the people who are deeply concerned with this matter, obviously, will know what's going on and can participate, at least to some extent?

Hon. Mr. Parrott: I can assure the honourable member that discussions on amending the control orders will be made in public. I am not saying—and I don't want to mislead the member—that all of those discussions will be, but it has been a very clear policy of my ministry in the last year that amendments to control orders will be done in a public forum. I am glad to be able to say this.

Mr. Nixon: But will this one be?

Hon. Mr. Parrott: This is no exception. Others, already in this past year, have been made into public forums. The one on Reed Limited was made in the standing committee. We have had public meetings, almost a town hall kind of meetings. We have had a variety of methods of dealing with the subject in an open and public forum and

there will be that kind of openness in the process.

I wouldn't say all of the discussions will take place in the public forum. Indeed, the one I had last week wasn't in the public forum, but there will be that opportunity in the public sector to debate it.

Mr. Laughren: Since the original control order was imposed almost 10 years ago, and since in 1975 the company said it was not prepared to reduce its emissions from 3,800 tons to a more acceptable level, and since the company since 1975 has reduced its emission levels only from 3,800 to about 3,600 tons per day, will the minister—without giving us the specific times and tonnages—at least make a commitment today that within six months a new control order will be imposed with specific deadlines and tonnages contained therein?

Hon. Mr. Parrott: I must have heard the question rather badly because I thought the first part of it was "without making specific dates and times," and then I was asked to do something specifically in six months.

Mr. Laughren: No, within six months.

Hon. Mr. Parrott: That is, I think, a commitment that does bear with it some very specific references. I feel there's no doubt we must have lower emissions, not only in the Inco plant but in other areas, not only in this jurisdiction but in other jurisdictions.

The growing evidence that was put on the record last weekend at an excellent conference on acid rain leaves no doubt, either in my mind or, hopefully, in the public's mind, that this is an issue of prime importance and that all of us must do our best to reduce emissions in sulphur and nitrous oxides, not only here but in other jurisdictions.

Mr. Laughren: You haven't answered the question.

PHYSICIANS OPTING OUT OF OHIP

Mr. Cassidy: I have a question of the Minister of Health arising out of some excellent research done by the New Democrats in a health-care campaign up in Ottawa.

Mr. T. P. Reid: I hope it is more accurate than usual.

Mr. Cassidy: We talked to all but 20 of the doctors in the yellow pages in Ottawa.

Mr. Bradley: What about the health-care workers you talked to in St. Catharines?

Mr. Cassidy: Is the minister aware that in Ottawa 13 of the 29 ophthalmologists, 22 of the 46 gynaecologists, four of the 10 heart surgeons and three of the seven allergists have opted out? In view of this evidence that the opting out by medical specialists in key areas exceeds 40 per cent in Ottawa, does the minister not agree that this violates the principle of universal accessibility to medicare and that it violates the specific provisions of the federal medicare act, that services be provided upon uniform terms and conditions to all insurable residents of this province?

Hon. Mr. Timbrell: No, I don't, any more than I would believe the system in place in Saskatchewan of patient streaming and extra billing of patients under mode three is an infringement of those principles. I don't believe it is an infringement at all.

Mr. Cassidy: Supplementary: Since the minister knows that high levels of opting out in certain specialties are found across the province, and not just in Ottawa—the only anaesthetist in Elliot Lake, all of the anaesthetists for regular admission to the Sick Children's Hospital, the only orthopaedic surgeon down in Windsor and so it goes across the province—why have we in this party had to ask five times, and now a sixth time, in the Legislature about the proportion of specialists opting out in the different major disciplines, when the minister said a year and a half ago that he and his ministry were regularly monitoring opting out by specialties and among GPs?

Mr. Speaker: Is there a question there someplace?

Mr. Cassidy: Yes, Mr. Speaker. Why can't the minister inform the House about the proportion of opting out in major specialties in the large communities or in the OHIP areas across the province so that the public can judge for themselves whether or not universal access to medicare is being endangered by opting out among specialists in this province?

Hon. Mr. Timbrell: First of all, it bears repeating again, as the member well knows and I guess conveniently forgets, that it is quite common for specialists, and for GPs for that matter, working in emergency departments of public hospitals to form billing groups by specialty so that while today fewer than 18 per cent of the physicians in the province are non-participating, only about 11 or 12 per cent of the claims are opted out. A significant amount of claims are opted in through the billing groups in the clinical departments and emergency departments of all public hospitals.

As well, it bears repeating that a number of physicians who have opted out—many of them since the beginning of the plan—and who certainly have not in any way contributed to any threat to universality or

accessibility, don't charge above OHIP rates. That is common in certain areas.

Finally, I would point out to the member yet again that if he is really interested in accessibility and informing the public, then he would surely agree with me that the list, which I will publish in the next number of weeks of all participating physicians by specialty and by municipality, will be of great assistance to the public and to referring physicians.

Mr. Conway: Supplementary: To the extent that opting out is an expression of unhappiness about levels of income and rates of remuneration, can the minister indicate at this time what the nature of progress is between the government and the medical profession with respect to fee negotiations? Can the minister indicate in that response whether or not as part of that discussion the government is putting forward the notion often spoken of that increases in benefits and fees should be related somehow to patterns of utilization?

Hon. Mr. Timbrell: I think it would be a serious breach of good faith in the bargaining—and I don't think the member would expect me to—if I was to set before him today the various items which are on the table on both sides. I hope the member will accept that we are in negotiations and that the meetings continue. I would hope by the end of the session to be able to announce an agreement on a new schedule for 1980.

Mr. Cassidy: Supplementary: Will the minister not agree it will be next to impossible to judge the proportion of specialists opted out by specialty when he has refused to table that information in the answer he gave on written questions a few days ago? Will he not also agree that information is vital in judging claims the GPs even now are making that they cannot refer to opted-in specialists because they don't know who they are? Won't the minister agree he's acting like an ostrich in not making this information available to the public and in not taking legislative action to bring one-price medicine back to Ontario?

Hon. Mr. Timbrell: Mr. Speaker, I'm waiting for the day the member will get definitive about what the hyperbole at the end of his question means. He's been very careful in his perambulations around the province over the last nine months never to get specific.

If he's in Hamilton, as he was five months ago, he said, "We certainly wouldn't do anything Draconian because we'd be afraid of the effect upon the health-care service." When he comes here he tries to have us think he would do one thing or another. In fact, in asking his question he confirms my earlier answer: The list of participating physicians—which will be published by the end of this session—

Mr. McClellan: A few weeks after the session; maybe next year or the year after.

Hon. Mr. Timbrell: —will be of assistance not only to the general public but to the referring physicians, so they will know by specialty and municipality those opted-in physicians to whom they can refer their patients.

Mr. Speaker: A final supplementary; the member for Ottawa East.

Mr. Roy: Thank you, Mr. Speaker. Without accepting the NDP editorializing we hear from our left, and accepting that the minister is still looking at the question of universality in accessibility of health care, does the high percentage of opting out in certain limited specialties not concern the minister?

Second, without revealing exactly what's going on in his discussions with the doctors on new fee schedules, can he assure the House this is one of the discussions taking place that he is expressing to these specialties his concern about the high level of opting out in certain limited specialties?

Hon. Mr. Timbrell: Mr. Speaker, the question of individual specialties and specialists' option choices is an important one and it's why I proposed the change in the regulations nine or 10 months ago. That change ensures that in every clinical department and in every emergency department of every hospital in the province we can now have formed billing groups to ensure that a physician can opt-in all or some of his accounts, regardless of his official option status.

I repeat, that is why while 18 per cent of the physicians in the province are non-participating only about 11 or 12 per cent of the accounts are opted out. That's a significant difference. It shows the billings groups are having an impact. Ensuring there is that accessibility is an ongoing concern and not one that is just confined to current negotiations.

Mr. Cassidy: On a point of privilege—

Mr. Speaker: On a point of privilege?

Mr. Cassidy: Yes, Mr. Speaker, I'm afraid the minister appeared to misrepresent the position which my party and myself have taken very consistently about one-price medicine during the course of the last few months.

Mr. Speaker: That's not a point of privilege; it's a difference of opinion.

[3:00]

HYDRO BOILERS

Mr. Bradley: I have a question for the Minister of Energy. In view of the serious deficiencies encountered with boilers provided to Ontario Hydro, Hydro Quebec, New Brunswick and Argentina by Babcock and Wilcox Canada Limited, and in the light of the potential financial difficulties B and W might face as a result of repair agreements signed with Hydro and utilities outside Ontario, has the minister discussed with Hydro officials the possibility of reopening tenders for the Darlington nuclear generating station, or does he intend to do so in the future?

Hon. Mr. Welch: Mr. Speaker, the answer to both those questions at this time would be no.

Mr. Bradley: Supplementary: Is it true that the silent part of the deal made between Ontario Hydro and B and W included an assurance that B and W would be allowed to retain the Darlington contract? If this were so, would the minister consider this to be a responsible action on the part of Hydro?

Hon. Mr. Welch: I wonder if the honourable member would repeat the first part of that question?

Mr. Bradley: Is it true that the deal between Ontario Hydro and B and W, which has been signed contingent upon other deals being agreed to with other utilities, is part of that deal—albeit a silent part—an assurance that the Darlington contract will not be retendered and that B and W will be allowed to proceed with it?

Hon. Mr. Welch: I have no information that would, in fact, add any credibility to the suggestion in that question.

Mr. Speaker: A new question, the member for Port Arthur.

Mr. Nixon: Mr. Speaker, I have a supplementary.

Mr. Speaker: The minister said he had no knowledge of that.

Mr. Nixon: I wonder if the minister has any assurance that the boilers are even going to work? Are they the same design we have had to repair for $36 million? What about those assurances?

Hon. Mr. Welch: I think that matter was all handled before—

An hon. member: Order, order. The member for Port Arthur has the floor.

Mr. Speaker: Does the minister have an answer?

Hon. Mr. Welch: Are you the Speaker, Mr. Speaker?

Mr. Speaker: I think so.

Hon. Mr. Welch: Do I have the floor?

An hon. member: He recognized the member for Port Arthur.

Mr. Speaker: I haven't recognized the member for Port Arthur.

An hon. member: You certainly did.

Hon. Mr. Welch: Mr. Speaker, I have no reason to believe that the repairs will not be carried out as required.

Mr. Speaker: The member for Port Arthur.

Mr. Foulds: Thank you, Mr. Speaker. My friends recognize I have trouble with my eyes, but I never encountered trouble with my ears before.

DRYDEN PULP AND PAPER OPERATIONS

Mr. Foulds: I have a question for the Treasurer with regard to the statement he made this afternoon about Great Lakes Forest Products Limited acquiring the assets of Reed Limited, a statement which I welcome. I would like one thing clarified.

Could the minister tell us what the status is of the so-called memorandum of understanding signed by this government and Reed Limited in October 1976, whether Great Lakes inherits the rights to those agreements, and whether, in fact, Reed Limited has lived up to the commitments that were outlined for it in the agreement?

Hon. F. S. Miller: Mr. Speaker, with your permission, I would like the Minister of Natural Resources to have that question directed to him.

Hon. Mr. Auld: Mr. Speaker, Great Lakes did approach this ministry to, in effect, ask exactly the same question. I think the easiest thing for me to do, and the briefest, would be to quote from a letter I wrote to the president and chairman, Mr. Carter, yesterday in reply to his letter of Friday. I won't go through the whole thing, just the part dealing with the point the honourable member raised.

"Several considerations related to the role and mandate of the Ministry of Natural Resources will have to be weighed. One of these relates to both the rights and obligations vested in the memorandum of understanding existing between Reed Limited and my ministry.

"Although the forest resources inventory and the operational survey had been completed, the land-use plan for the West

Patricia area has not been completed and is not scheduled for completion until April 1, 1981. It is on the basis of this plant that land-use conflicts will have to be resolved"—this, of course relates to the wood fibre among other things.

"Another concern is the mandate vested by cabinet in the Fahlgren commission on development north of 50 degrees north latitude. Finally, and by no means of least importance, we would want to consult with the people of the affected areas, including the native people.

"The environmental concerns I mention only in passing, since these lie primarily within the mandate of my colleague, the Minister of the Environment."

Mr. Foulds: Supplementary, could the minister indicate, by a yes or a no, whether or not Great Lakes inherits the rights outlined in that agreement or is it pending some consideration or agreement that will be worked out between you and Great Lakes in 1981?

Hon. Mr. Auld: Mr. Speaker, as I say, I'm advised that the memorandum of understanding is an obligation—in other words, there are points on both sides; there are requirements and there are concessions. They will be clearly within the development plan for the Patricia area, which will have to do with wood allocations, habitat, the whole planning program for the area. As far as we are concerned, if the memorandum of understanding is one of the assets which is purchased by Great Lakes Paper Company Limited, that company would be bound by it, just as we would be.

Mr. T. P. Reid: Mr. Speaker, I would like to ask the minister concerning the $15 million liability accepted by Reed and Great Lakes. Perhaps I should redirect this to the Treasurer.

Can the Treasurer bring us up to date on the present status of the claims that have already been filed against Reed by the Indian bands involved?

Second, since because of this hopefully there will be a new start for the town of Dryden and for Great Lakes and for the people there, could he indicate whether or not he and the government are going to try and bring those claims to some kind of a final resolution so that the whole matter of the environment and the environmental claims can be dealt with and done with and the whole area can start afresh?

Hon. F. S. Miller: Mr. Speaker, I can't bring the member up to date on the claims, except to say that some are in the process of being proceeded with.

The letter which I signed first of all assures me of my position as Treasurer for 30 years, if you read it carefully. That was really quite sneaky. The Premier didn't catch that part of it, I don't think.

Second, I believe the member will find that our limitations do not include legal fees. They include awards.

Third, we really felt that because of the unknowns, the imponderables, the class actions—all the kinds of things that are popping up on the horizon these days—there could be so many ifs, ands and buts to any lawyers looking at those deals that we had a responsibility that would assure the survival of the town of Dryden by taking what is in fact an unusual action, by signing this letter of intent to indemnify. We did so in the hope that it would not stimulate extra cases. We would assume they would go on in their normal course of events, being placed by any grieved bodies.

Mr. Foulds: Supplementary: Is it the Treasurer's understanding or not that Great Lakes has purchased, as one of the assets, the rights and the obligations of the memorandum of understanding?

Hon. F. S. Miller: Mr. Speaker, that was never discussed with me. My role in this was simply to look at the kind of assistance that would be required to make the deal possible.

I should point out that it was absolutely essential that that letter go forward. We know that for a fact because the deal fell through several months ago when that letter was not available. It's not a question of whether that letter possibly made the difference; it made the difference. That part is sure.

We did not give nor were we asked for any guarantee that that agreement was honoured. I'm sure that's part of the negotiations they've had with the company.

Mr. Speaker: A final supplementary.

Mr. T. P. Reid: A supplementary, once again, to the Treasurer: Is there any statute of limitations on the claims relating to Reed Limited's operation in the past? Secondly, will the Treasurer and the government bring their good offices to bear on this whole matter of these outstanding claims so everyone can be satisfied as fully as possible, à la Dow if you like, so we can again start a new and afresh?

Hon. F. S. Miller: The Attorney General (Mr. McMurtry) has been giving me some advice. I would have to ask the member to get a definition of limitations on different kinds of claims from him. I am not a lawyer.

I don't think the province was anxious to stimulate claims, nor to slow them down, but

the very fact we have said we're there in case we're needed may have some effect.

INSIDER TRADING

Mr. Breithaupt: Mr. Speaker, I have a question of the Minister of Consumer and Commercial Relations following the statement of the Treasurer with respect to the town of Dryden.

There appears to have been insider trading on the Toronto Stock Exchange yesterday on Reed stock, which opened at an increase, at 10¾, went to 11⅜ and finally closed at 11¼. Would the minister comment on the facts, since this 11¼ was apparently a high for the year and on a volume of some 18,000 shares, which is also unusual for this stock? Is the Ontario Securities Commission reviewing this circumstance? Will he report to the House on the circumstance?

Hon. Mr. Drea: Mr. Speaker, I'll report to the House on Thursday, on the entire matter. As a matter of interest, there was a cease-trading order issued about 30 seconds after the Treasurer's announcement today.

Mr. T. P. Reid: Supplementary: In the wider context of front-line trading on options, which I believe was in the financial pages of the Globe and Mail this morning, on deals such as this—the inside trader information is, in effect, what we're dealing with—is the minister considering any legislation to deal with these matters, because there seems to be a lot of inside traders on the options on these stocks where a lot of money can be made for a very small risk?

Hon. Mr. Drea: It's my view the new Securities Act, particularly with the very sharp delineations on insider trading, covers that, but I will report back on Thursday with that as well.

Mr. T. P. Reid: The Toronto Stock Exchange is looking at it too.

Hon. Mr. Drea: Yes.

FOOD PRICES

Mr. Swart: I have a question of the Minister of Consumer and Commercial Relations. He'll recognize I have here, two jars of Kraft Miracle Whip salad dressing.

Interjections.

Mr. Speaker: Order.

Mr. Swart: Recognizing that last year Kraft Foods International had a return on equity in their Canadian operation of 31.1 per cent, can the minister explain why Canadians in Ontario are forced to pay $1.05 at Dominion Stores for this 17.6-ounce jar of Kraft Miracle Whip salad dressing, while in the United States at a supermarket this 32-ounce jar is sold at $1.07, or only two cents more than this small jar?

Hon. Mr. Drea: Mr. Speaker, I will look into the matter and I will report back.

I would appreciate it if the member would tell me at which supermarket he bought it in the United States and, also, if the member would keep his accumulations to himself as I have no room for them.

Mr. Swart: Knowing the attitude of the people of the other side of the House, will the minister not recognize I didn't offer them to him?

When the minister investigates this contrast, will he be sure to note all of the ingredients in this jar sold in Canada are ingredients produced in Canada, and all of the ingredients sold in this jar in the United States are produced in the United States? Therefore, he will not give us his standard line that one has to add 15 or 20 per cent to the price because of the Canadian dollar discount?

[3:15]

Hon. Mr. Drea: Mr. Speaker, I am not going to give the member any standard line. One of my difficulties is that I have never tasted that product in my life, so I don't even know what it is made of. I would suggest the honourable member might help me out by telling me in what country, or what county, or in what supermarket he bought that in the United States.

PAYMENTS TO MUNICIPALITIES

Mr. Epp: Mr. Speaker, I have a question for the Premier. I am wondering whether the Premier can tell this House when the municipalities can expect to have some announcement with respect to transfer payments; an announcement for which they have been waiting for some months now. The Premier seems very reluctant to tell the municipalities how much money they are going to receive in this form.

Hon. Mr. Davis: I am never reluctant to do anything. It is just a question of when we are ready. I would point out to the honourable member that traditionally this good news has been brought from the Minister of Intergovernmental Affairs. If he would like to redirect the question to that distinguished minister, I am sure he would share with the member what knowledge he has related to the question. If the member would like to do that, I am sure the minister would be delighted to answer it for him.

Mr. Epp: Supplementary: I would be glad to direct it to the Minister of Intergovernmental Affairs, except it was the Premier who rejected, last August, the wishes or the requests by municipalities to have a legislative commitment of the transfer payments, so that it was the—

Mr. Speaker: Do you want to put a question to the minister?

Mr. Epp: I want to redirect the question to the Premier and try to get an answer from the Premier, Mr. Speaker, rather than have him slough it off to one of the ministers. I know that the Minister of Intergovernmental Affairs (Mr. Wells) is very capable of answering, but I want the Premier to answer because he originally said no to the municipalities, and I want the Premier to be on the line to answer the question.

Hon. Mr. Davis: Surely the honourable member—who is so knowledgeable on all these matters—because the government in its wisdom determined not to enter into a formalized formula doesn't feel that this province isn't going to be generous with its municipal colleagues?

My recollection is that they really had two or three suggestions. The member used the phrase "legislative guarantee," or whatever it was. I really think they were looking for something that didn't necessarily involve legislation. I believe the Minister of Intergovernmental Affairs indicated to the municipalities that in roughly mid-November, or some time before the end of the month, this news will be transmitted to them.

If the honourable member hasn't heard that from his municipal advisers in that party, it can only mean that they aren't as aware as they should be of what has been said.

COKE-OVEN EMISSIONS

Mr. Mackenzie: A question of the Minister of Labour: Can the minister inform the House as to the reasons for the delay in establishing coke-oven emission standards for coke-oven workers in Ontario, given the real concern of these coke-oven workers and their representatives, and given the Premier's letter of April 24, 1979, in which he assured the vice-president of Local 1005 and the safety and health chairman of Local 1005, that he understands that he, the minister, would be in a position, or hope to be in a position, to outline a strategy for the control of coke-oven emissions before the end of the summer? Can the minister give us a date, and could he possibly get the Premier to indicate the year in future, rather than just the season?

Hon. Mr. Elgie: Mr. Speaker, I don't know if the Premier wishes to allude to any season this year. All seasons seem like good seasons. But the member for Hamilton East raises a problem that actually was brought to my attention earlier this week by the assistant deputy minister in charge of occupational health and safety, and I tell him with regret that that same deputy went into hospital that afternoon.

However, the information he is talking about is scheduled to be presented to me on his return, or hopefully before, if other staff are as well versed as he was in this, and I hope to have that information before the House in the near future.

Mr. Mackenzie: Supplementary: Is the minister aware, that with 47 coke ovens planned for the Nanticoke operation but not in operation, that there is a very real push for production on the existing coke ovens, which often results in a green push and much more emissions and that the workers involved are concerned, not only the workers but those who are affected beyond the immediate work place. Is there any pressure on the minister to delay the setting of standards, given this situation?

Hon. Mr. Elgie: I can assure the member I have been under no pressure to delay it.

EMPLOYMENT OF WOMEN

Hon. Mr. Elgie: Mr. Speaker, in my absence the member for Hamilton East asked a question of the Premier (Mr. Davis) about the hiring practices of Stelco in Hamilton and the suggestion that discrimination against women prevented their being hired by Stelco.

I am sure the member knows that four women have filed complaints with the Ontario Human Rights Commission about discrimination, alleging contravention of section 4(1). As well, the president of Local 1005 of the United Steelworkers of America has filed four complaints against Stelco under section 13(1) of the code.

This matter was first brought to the attention of the commission on October 26 and an officer has been assigned to investigate the complaint. It is hoped the investigation will be completed in about three weeks and at that point a decision will be made on the course of action to be followed regarding the complaint.

Mr. Mackenzie: Could the minister tell us where the ministry has been, in view of the 30,000 applications by females for employment at Stelco? Some 33,000 workers have been hired there since 1961, but not one of those 30,000 female applicants was hired until within the last few days.

Hon. Mr. Elgie: I would assume that would be the sort of information the investigating officer will be gathering.

McDONALD LAWRENCE SEALES

Mr. Van Horne: A question of the Provincial Secretary for Social Development: Now that the Supreme Court has ruled that McDonald Lawrence Seales is not guilty of murder by reason of insanity, will the minister or one of the ministers in her secretariat release the report of the investigation by a team of psychiatric experts from the University of Western Ontario into the release of Mr. Seales from the London Psychiatric Hospital?

Hon. Mrs. Birch: I have no knowledge of that particular subject. I would have to take that as notice and give the honourable member a reply later this week.

Mr. Van Horne: Further to that, I would like to ask the minister if in replying she cannot give the details of the report, would she indicate to us whether or not any of the recommendations in that report would be followed; and will there be any need to amend Bill 19, An Act to amend the Mental Health Act, which this Legislature passed just this past year?

Hon. Mrs. Birch: Again I will take that question as notice and reply later this week.

VISITOR

Mr. Wildman: A point of privilege: I wonder if the members of the House would join with me in welcoming the former member for Algoma, who is sitting in the gallery.

FRENCH HEALTH SERVICES

Mr. R. F. Johnston: I have a question for the Premier, in the absence of the Minister of Health (Mr. Timbrell). In view of the fact the report on mental health services in Ontario says, "Languages and culture play a dominant role in communications with the sick," is the Premier aware that in the city of Timmins, which has a 46 per cent French population, according to l'Association canadienne-francaise de l'Ontario, there are no general practitioners whose mother language is French; there is only one francophone dentist; there is only one psychiatrist serving 100,000 people and he is an anglophone? Can the Premier tell me what he is willing to do, and what the Minister of Health should do, to encourage French practitioners to serve the French population in northern Ontario?

Hon. Mr. Davis: I am not aware of this particular report. I would be delighted to discuss it with the Minister of Health. All I know is I am so very grateful we have a conscientious, sensitive member from that area who does so much to resolve these problems in a positive, constructive sort of way.

Mr. R. F. Johnston: A supplementary, Mr. Speaker: As the sensitive member for Scarborough West, I am pleased I can raise it with the Premier before he does.

I would like to ask the Premier, in discussing this with the Minister of Health, that given his past policies which have proven ineffective, and given the fact the local ACFO group says one reason the hospital boards in Timmins have failed to attract francophone practitioners is that these boards are dominated by anglophones, would the Premier, along with the minister, be willing to consider funding French advisory committees in northern health districts, much like advisory committees to boards of education? These could then act as recruitment agencies to deal in French with French potential practitioners from French jurisdictions.

Hon. Mr. Pope: On a point of privilege, Mr. Speaker, the honourable member indicated I had not raised some of these issues before the House. I would like to advise the House these were the issues that were being dealt with last year when I raised the issue of admission to medical schools throughout the province. Where were members opposite then?

ACID RAIN

Mr. Conway: My question is to the Minister of Natural Resources, a question concerning acid rain at Algonquin Provincial Park. In view of the fact this park is a major national and provincial resource, and that acid rain now presents itself as a very major and insidious environmental threat, can the minister indicate whether or not any special study or analysis has been undertaken by his ministry which would outline the nature of the threat to the park, lying as it does in the immediate fly-path of the Inco emissions?

Hon. Mr. Auld: I am not sure all of the lakes in the park have been surveyed. We

are doing surveys in co-operation with the Ministry of the Environment in a number of lakes in southern Ontario, as well as the north. Cottage groups have been taking samples and so on. There is a very large program going on in water quality surveying. Some of the studies have not attacked the PH problem until the last couple of years, so I can't give the honourable member up-to-date data.

I do know that part of the problem as far as fish are concerned is that in the spring runoff, if there has been a good deal of acidic precipitation in the snow during the winter, there may be a very high level of acidity for a very short period, yet when tests are done later in the summer it doesn't look as though there is a problem. That is the area we are now looking at because that is the time when the fish spawn are affected. If a study is done, for example in August, that wouldn't be known.

Mr. Speaker: The time for oral questions has expired.

KING TUT TICKETS

Mr. Speaker: I have been handed a note by the Honourable Minister of Culture and Recreation (Mr. Baetz) that reads as follows:

"Would you please remind the members to bring their tickets tonight to Tut entrance. Without tickets will be impossible and is beyond the discretion of your host, the Minister of Culture and Recreation. No ticket, no Tut."

HANSARD REPORTERS

Mr. Eaton: On a point of privilege Mr. Speaker: I wish to draw to your attention Hansard of October 22, in which I am credited here with an interjection during question period. I would just draw to the Speaker's attention that I was not present that afternoon. It might be a good idea to return our interjectionists so they can know who is here, rather than have the tapes going.

Interjections.

Mr. Eaton: Also these tapes are apparently picking up some of our private conversations around here. I draw that to your attention.

Mr. Speaker: For the edification of the honourable member, he may wish to attend the member's services committee where the director of legislative debates will be explaining that in detail once again.

REPORTS

ONTARIO STATUS OF WOMEN COUNCIL

Hon. Mrs. Birch presented the fifth annual report of the Ontario Status of Women Council covering the period April 1, 1978 to March 31, 1979.

[3:30]

MOTIONS

REFERRAL OF BILL

Hon. Mr. Wells moved that Bill Pr22, An Act respecting the County of Simcoe, be withdrawn from the standing general government committee and be referred to the standing administration of justice committee; and further that the provisions of standing order 72A respecting notice be waived.

Motion agreed to.

COMMITTEE SUBSTITUTES

Hon. Mr. Wells moved that the following substitutions be made on the standing public accounts committee: Mr. Isaacs for Mr. Mackenzie; and Mr. MacBeth for the Honourable Mr. Pope.

Motion agreed to.

INTRODUCTION OF BILLS

PUBLIC COMMERCIAL VEHICLES AMENDMENT ACT

Hon. Mr. Snow moved first reading of Bill 161, An Act to amend the Public Commercial Vehicles Act.

Motion agreed to.

Hon. Mr. Snow: Mr. Speaker, I have just introduced a bill to amend the PCV Act. With your permission, I would like briefly to outline its contents for the members of the House.

Bill 89 provides for the creation of a new class of commercial vehicle operating licence, the class W licence designed to accommodate the special needs of the forest products industry. The regulatory authority to specify the region or regions of origin of transportation under the new class W licence, as called for in Bill 89, is contained in this amendment.

Members will recall that Ontario, along with the rest of the provinces, will adopt a uniform Canadian bill of lading on January 1 of 1980, a system developed by the Canadian Conference of Motor Vehicle Administrators. This bill, therefore, contains an amendment to clarify the regulation-making powers neces-

sary to implement these uniform Canadian bills of lading.

There's also an amendment providing for the differentiation between classes of licences and between types of commodities for regulatory purposes.

Finally the bill contains a housekeeping amendment to clarify the intent of section 6(19) of this Public Commercial Vehicles Act. Under Bill 89, carriers operating under the new probationary operating licence will have their licences reviewed by the OHCB after one year of operation. The amendment makes it clear that reviews of probationary licences are mandated by the act.

CHILD WELFARE AMENDMENT ACT

Hon. Mr. Norton moved first reading of Bill 162, An Act to amend the Child Welfare Act, 1978.

Motion agreed to.

Hon. Mr. Norton: Mr. Speaker, I think my opening statement dealt adequately with the content of the bill.

ASSESSMENT AMENDMENT ACT

Hon. Mr. Maeck moved first reading of Bill 164, An Act to amend the Assessment Act.

Motion agreed to.

CORPORATIONS TAX AMENDMENT ACT

Hon. Mr. Maeck moved first reading of Bill 165, An Act to amend the Corporations Tax Act, 1972.

Motion agreed to.

NON-RESIDENT AGRICULTURAL LAND OWNERSHIP REGISTRATION ACT

Mr. Eaton moved first reading of Bill 166, An Act to provide for the Registration of Non-resident Ownership of Agricultural Land in Ontario.

Motion agreed to.

Mr. Eaton: The purpose of this bill is to provide for the registration of non-resident ownership interests in the agricultural land in Ontario. The bill requires any person who is not a resident of Ontario and who owns 25 or more acres of agricultural land in Ontario to submit a report in the prescribed form to the Minister of Agriculture and Food.

A non-resident must also submit a report if a resident person acquires or holds an interest in 25 acres or more of agricultural land on behalf of the non-resident. If a report is not submitted within the time period specified in the bill, the non-resident commits an offence and is liable to pay a fine equal to 25 per cent of the value of the property.

I feel that this legislation would provide the facts on non-resident ownership. Instead of having various unsubstantiated rumours and no means of obtaining the proper information, it will give us the information on which to base future decisions on foreign ownership.

SOUTH RUSSELL HOLDINGS LIMITED ACT

Mr. Rotenberg moved first reading of Bill Pr30, An Act to revive South Russell Holdings Limited.

Motion agreed to.

ORDERS OF THE DAY

CROWN TIMBER AMENDMENT ACT

Hon. Mr. Auld moved second reading of Bill 77, An Act to amend the Crown Timber Act.

Mr. Speaker: Does the minister have an opening statement?

Hon. Mr. Auld: No, let us press on.

Mr. T. P. Reid: I am somewhat surprised that the minister doesn't have an opening statement, in view of the importance of Bill 77. Of course, we have since gone through so many gyrations when we were dealing with the principle of this bill that probably the minister is too embarrassed to talk about it at all.

As you well know, Mr. Speaker, coming from northern Ontario, we have been through this exercise under various guises for a number of years. The responsibility for reforestation and regeneration of the forest land in the province of Ontario has been bouncing back between the government and private industry for almost 100 years.

It is interesting, as I said in a somewhat related debate the other day, that we were talking today in the question period about the resource of oil for heating, and for running our cars, our transportation and our industry, while we are dealing here with one of the two really renewable resources that we have in the province of Ontario. My friend the member for Huron-Middlesex (Mr. Riddell) will tell members one is agriculture; the other one in this particular context obviously is the renewable resource of forest land.

I said to the Premier (Mr. Davis) yesterday in another debate, that of all the things that the province in 36 years of Conservative

government had been responsible for and not responded to, probably dealing with northern Ontario and our renewable resource are the worst ones.

Mr. Speaker, I have all kinds of statistics about how much the forest industry contributes to the economy of the province of Ontario, how many jobs it creates, how it affects the balance of payments, how much income tax is paid and so on. But I don't think we have to go through all those statistics again. Suffice to say that the Conservative government in the province has not lived up to its mandate to ensure that the province of Ontario and the people will have a continuing forest resource in the province of Ontario. A renewable resource that is important not only because of the forestry jobs it has and does provide along with all the other things but now, because of the energy crunch, we're approaching the day when the fuel resources, both in terms of timber cut to fuel people's stoves, fireplaces and so on, is taking on a more dramatic need as opposed to the sort of aesthetic value that it has had in the past, in that it also has the possibility of providing methanol fuel from our forests.

I said I wasn't going to deal with statistics in the economic sense, but I want to deal with some that I think are shocking—that I've repeated in this Legislature over the years—and the ones that bother me particularly. Those are the statistics that deal with the regeneration and reforestation in the province of Ontario.

It's a well known fact, I believe, that obviously in the reforestation that has been done by the province under the aegis of the Ministry of Natural Resources in the past few years in the two species we're primarily concerned about I would think in northern Ontario—although obviously there are others—spruce and jack pine, only 50 per cent of the regeneration or reforestation has been successful in those two species; which to use the agricultural term have been the "meat and potatoes" or the "bread and butter" of the forest industries, in particular for the pulp mills and lumber and all the rest of it.

Mr. Speaker, I have here the revered document of the 1977 election, the Brampton charter, in which the Premier, with a great deal of fanfare amongst other things, announced to Ontario at large that the calls and cries of the opposition were finally being heard, that they realized what was happening in the forests of northern Ontario, that merchantable, accessible lumber resources, timber resources, resources for pulp and paper, were dwindling much quicker than anybody had thought and that in fact we were running out of these; in 10, maybe 20 years, we were going to reach a crunch on these.

On other occasions I have spoken at length about the number of acres that have been harvested, the number of acres that have silvicultural treatment, the number of acres that in fact have been generated. I'd like to give some statistics, Mr. Speaker, on that. These are statistics of the Ministry of Natural Resources, so I presume the minister will accept them as being somewhat correct.

In the regeneration of spruce and jack pine about 75 per cent of the total is reforested. The survival rate, the success rate for spruce: a satisfactory survival rate is 30 per cent, the minimum is 66 per cent, and the failure rate is four per cent in 1970-71. In jack pine the satisfactory survival rate is 48 per cent, the minimum is 46 per cent and the failure rate is six per cent. Quite frankly, I find those figures somewhat high. From my own personal observation I don't believe the survival rate and the healthy trees reach those kinds of proportions.

[3:45]

I could run down the figures from 1967 to 1968 on the areas of cutover and the areas left unregenerated. I want to tell members, and my figures were correct, some 12 years ago when I first spoke on this matter it was over 100,000 acres annually that were being left unregenerated or untouched. This deplorable and sad litany of neglect of the forest land of the province of Ontario has been under the responsibility of the Ministry of Natural Resources and its predecessor the Department of Lands and Forests.

The minister knows this was changed in 1962 because the ministry felt that private industry was not, in fact, doing the job of regenerating the forest properly. I think this is the fourth turnaround, the fourth change in about 25 or 30 years, in which we are laying the onus back on private industry in Ontario.

I am not sure that's a bad thing as long as we have well understood the guidelines they are going to be under and the system is completely monitored. I think it is obvious, and we have experts who are even more expert than I—some under the gallery today; some of whom we have met at other forestry conferences—who say probably one of the biggest problems in dealing with the forest, which I understand they don't have in Germany and in some of the Scandinavian countries, is the fact that you don't have the whole life cycle broken up in terms of harvesting and regeneration. This is what has happened in the

province, certainly in the last 17 years since the rules were changed again.

I believe in the concept that those who are doing the harvesting should be responsible for the silviculture, the regeneration of the ground and, ultimately, the reforestation. That really only makes sense. It is the same kind of concept where we took children and separated them into different educational groups. That didn't work, so we went from K through the whole systems, so that there would be a cycle where there would be a co-ordination and follow-through and monitoring all the way that made sense to everybody.

It is interesting that in the act, particularly in section 5, the ministry deals with this concept, and it is obviously the main principle of the bill. Section 5(2) of the bill clarifies that the expression "sustained yield" used in subsection 1 "means the growth of timber that a forest can produce and that can be cut to achieve a continuous approximate balance between growth of timber and timber cut."

It is interesting that the minister and his advisers would actually define that as part of the bill rather than as an addendum or explanatory note, as is usually done. Obviously this is at the root—no pun intended—of the problem.

We are going to support the principle of the bill. We have a number of questions about the mechanics. I am concerned that while we are amending the Crown Timber Act there aren't other amendments. For some time I have been unhappy about section 27 of the act in regard to wasteful practices. I think there should be more in the act in regard to that.

I think it should be part of the guidelines of the new agreements, a very specific part, because while I am not a forester I am in the bush often enough to see there are a lot of timber resources left because they are either not economical or it has supposedly been economical just to plough them down and leave the bush in an unfit way. I am concerned about that particular section of the act. I'm also concerned about the five-year plans, if we can use that, and the 20 years down the line. By the way, I have a number of questions I will put at the end of my remarks. I'll leave this one so the minister can think about it.

As I understand the bill, we're on a five-year plan. We're talking about a 20-year cycle. At the end of each five years there will be a review of the whole plan, and then hopefully the plan will be extended for a further 20 years, as I understand it. While in 20 years you have four reviews you're actually looking at a cycle of 80 years. Is that a correct understanding?

Hon. Mr. Auld: Actually, I would presume—

Mr. Deputy Speaker: Perhaps the minister could answer at the end of the debate.

Mr. T. P. Reid: Thank you, Mr. Speaker. It's a very important part of the understanding and that's my understanding of it; I hope if I'm wrong the minister will point that out.

Obviously, part of the problem in the past has been both from political and economical points of view. A political point because we generally deal with matters here on the short term of four years or five years, with minority government sometimes even less; and an economic point of view or an industry basis when agreements with the licensees do not extend for the time that it takes to grow that tree so that the whole reforestation process takes place. If there's no guarantee that a company is going to reap the benefits 40, 60, or usually 80 years down the line, then there really isn't much incentive for them to go through this process. If they can't say to themselves, "We're going to get our money out of it, we're going to reap the benefits of going through this process of spending the time and the money on the regeneration cycle," then they're not really going to go through with it.

The ministers, the political masters, have been very lax in the last number of years in bringing any kind of pressure to bear, either moral suasion or certainly the iron glove of coming down hard in terms of financial penalty, or in fact threatening licences, which the minister has the authority to do under the act, to ensure that this reforestation business in fact takes place.

There are other people who want to speak on this, but I want to ask some specific questions about the act. I'm concerned about a number of matters.

I'm concerned about third-party agreements in these matters; third-party agreements in two senses. First of all, can any other level of government be involved in this reforestation agreement, or is it strictly between the Ministry of Natural Resources and the licensee? We have a DREE agreement between the province, the Ministry of Natural Resources, and the federal government in regard to forest roads; we have another one in regard to an incentive on a three to one plan, that sort of thing; but is there going to be any federal money coming to Ontario for reforestation purposes?

I realize we're talking about roads, and that's got to be part of it, and all the rest

of it, but it seems to me that the federal government has been reaping the taxation from the provinces of Canada to the tune of almost a billion dollars or more, in direct corporation and profit taxes. As I understand it, over the last number of years and until recently, until this agreement which was signed on May 15, 1979, and I believe one the previous year, the federal government hardly came through with any money at all as far as the province of Ontario is concerned. And as I understand it as far as any of the other provinces have been concerned.

They've had a research centre which they almost closed down, in their ignorance, just a little while ago, but very few of the tax dollars that have been going into the federal coffers have come back, particularly in our case, into the pulp and paper and lumber industries in the province of Ontario. I wonder if these agreements are going to allow, or whether it has to be done by this mechanism, for any of this money to get to these companies. Is any money to be made available?

However my other concern, which is as great as this is, is there is no provision for third party agreements for independent contractors, smaller contractors, loggers or whomever you like.

Again, maybe these are being done under the actual licence agreement and shouldn't be in this kind of contract, which I have seen. What I don't note is that one paragraph which is always in there that covers the waterfront and says the minister may do almost anything he bloody well likes—and usually does so the company says. I wonder about that as well.

In section 3(4) of the bill, I wonder if that is a change, particularly in regard to the last two lines . . . "the Lieutenant Governor in Council may enter into agreement with any person for the supply of crown timber to such person from such unit for such a term of years and in such matter as they agree upon."

These licences have been on a specific basis for the last number of years. It's usually five years, but sometimes, I believe, in certain circumstances it has been up to 20 years. I think that's about the maximum that has happened.

Is the minister thinking, in this particular section, of perhaps increasing the term of a licence to over 20 years to provide an incentive so the reforestation cycle will be done?

The other thing which bothers me, and I guess there is no way around it, is when you get to section 8(1) it says: "Notwithstanding any general or special act, or in any regulation or any licence or in any management plan or operating plan, the Lieutenant Governor in Council,

(a) having regard to reasonable business requirements of the licensee, may cancel or vary any licence in respect of one or more parts of a licensed area or in respect of any type, size or species of timber designated by him; and

(b) with the consent of the licensee, may cancel or vary any term or condition of a licence."

Again, we're in the situation in this Legislature of passing legislation saying we're going to allow this thing to happen, and then, at the same time giving the minister almost complete authority to alter, change, revoke or do whatever he wants without reference to this Legislature or to the House.

This brings me to this point: the minister has kindly provided me with a draft of the agreement, I now wonder if it would be possible, and I think the former minister made a commitment, for him to table the agreements once they were signed? I wonder, further, if there are any changes in those agreements if those changes will also be tabled in the Legislature within a certain period of time?

The other thing that concerns me is this: we've had a history of the companies, for whatever reasons, not carrying out reforestation in the province of Ontario. I've dwelt on it: I want to know and I'm really concerned about it: other than the clause I just read under section 8—and I note there are a couple of things that referred to it in the draft agreement—what is the commitment of the Minister of Natural Resources and his ministry to ensuring there is adequate regeneration in the province of Ontario?

[4:00]

What is he going to do and how is the monitoring system going to operate so that we can be assured that there is a sustained yield basis at the very bottom or at the very top of the forest policy in the province of Ontario, because we haven't seen it in the past? The minister will agree that we might be just a little sceptical over here if we just don't look upon this as sort of a waltzing Matilda: it is their turn, now it is our turn, and in 10 years we will take it back. What is the minister going to do to ensure by way of incentives, and also by way of disincentives, a sustained yield basis in the province of Ontario in our forest land?

That is really my gut concern, because the people of the province were conned by the Brampton charter of two trees for one.

We have been through the history of reforestation in the province. What is going to be done? What is the minister going to do if one of these companies doesn't fulfil the mandate that it says it will?

By the way, that is my other point. There has been something in the press about three companies, Spruce Falls Power and Paper Company Limited, Abitibi Paper Company Limited and Great Lakes Forest Products Limited, interestingly enough, in view of the announcement made today. I wonder if in answering my questions the minister would indicate whether these three are still prepared to sign such a forestry agreement, when they are going to sign; if the other nine, 10 or 11 large companies particularly are prepared to sign such a forestry agreement; and if they aren't what he is going to do about that? What is he going to do also about those unregenerated lands that have either been left untouched—an average of 100,000 acres over the last 10 or 12 years and certainly almost that much higher to that time? What is he going to do to reforest those areas to bring back that renewable resource in northern Ontario?

I will leave it at that, other than to say that in principle we are willing to give it another chance because obviously the present policy is a failure. I would hope the minister will be able to assure us here today there is a renewed commitment to reforestation in the province of Ontario. I will have some specific things to say about specific sections of the bill in the committee stage.

Mr. Foulds: Perhaps you will bear with me; from time to time my voice gives out, Mr. Speaker.

I rise in support of Bill 77, at last. The bill has been a long time in coming, and one is almost tempted to ask what took so long. I have a couple of reservations, not about the bill itself but about the impact that is envisaged from the bill. I have an uneasy feeling that we may be creating a false sense of security by pretending that this one amendment to the Crown Timber Act is going to solve all of our regeneration and reforestation problems.

That is just not so, as anyone who looks at the questions even superficially knows. All that this bill does is give the minister the right or the authority to enter into an agreement with "any person." In reality that means any of the large pulp and paper companies; in fact that is how it is going to work out in practice.

As I said, all the bill does is give the minister the authority to enter into such an agreement for the management of crown timber on a sustained yield basis. It does not speak to a whole host of questions in the reforestation and the silvicultural regeneration debate. I would like to take a moment or two, because this particular bill speaks to the heart of the debate on reforestation and regeneration, to look at the areas the bill doesn't cover.

As I said last night in the estimates debate on this ministry, I think it is important we don't put all our regeneration eggs into one reforestation basket. I think it is important we keep some options open. First of all, it is important, even if this is to work, that the ministry have an adequate number of unit foresters on the ground to ensure that the agreements are lived up to and that the agreements mentioned in section 5 of the bill are in fact enforced.

The previous speaker in this debate indicated some of the problems. We had forestry under the jurisdiction of the private companies for many years. That didn't work simply because it wasn't supervised, simply because the province did not insist upon regeneration.

Then we turned it over to the responsibility of the ministry, and although there were some improvements, as the minister said when the bill was first tabled, we still haven't come close to reaching the target that is needed if we are to have a sustained yield across the province, if we are to reach our target of the kind of wood production that we could use for the manufacturing sector in this province.

The other thing is that I think, as I said last night in the estimates debate, the province should look at the option of establishing what I call a provincial forest authority to take up the responsibility when agreements like this fail so that we could harvest. We would have the same principle involved: that is one agency to engage in the cutting, the clearing of the slash, the reseeding and reforestation; tending almost like an agricultural model, to the plants after they regrow.

I am not so ideologically hidebound that I am convinced a public crown agency is the only route to go. That is why we in this party are supporting this bill at this time. But we don't think it is the only answer. We don't think it is the ultimate answer. After all you will see later in my remarks, when I point out some of the statements made previously by the minister, that they do not envisage the agreements outlined in this bill covering the whole province, and in fact what we have to

develop are management plants for the whole province and an enforcement of that in order to achieve the proper reforestation.

A provincial forest authority such as I have tentatively suggested could also profitably harvest and regenerate timber, either where limits have not been assigned or where companies fail to come to an agreement with the ministry; or where they are failing in their responsibilities under this bill and the five-year option has to be withdrawn from them; or where there are overmature stands that do exist and are not being harvested at the present time.

In other words, I believe the ministry should seriously consider a provincial forest authority to be used as an alternative, as a backup when and if these kinds of agreements and the present licensing system fail to live up to the expectations that are necessary.

This speaks to one of the problems that was also touched upon by the previous speaker. That is, I think it would be easier, through the provincial forest authority, to help ensure that third party agreements could be properly assigned to small companies, to small businesses engaged in the woods industry, which don't get the needed timber or the needed species, which are available now but are held back by the pulp and paper giants because they want to hold those in reserve.

I guess there are two basic ways to approach this bill. One is we could list every sin that has been committed in mismanagement of the forest by this government for the past 36 years, and the Liberal administration before that. But frankly, I have been through that a number of times and I am getting just a little tired of that speech, as I am sure the minister is. However, I do think it was positively harmful during the last provincial election for the Premier (Mr. Davis) to engage in the kind of rhetoric he engaged in when in the Brampton charter he announced two trees for every one. Everybody who has any knowledge of forestry, even those of us elected to this House, knows that was an unrealistic promise, a promise that could never be met. What is even more important from a forestry point of view, it was a promise that it would not be the best to keep because what is important is replacing the amount of fibre grown so that we can meet our commitments to the manufacturing sector. That may entail planting fewer trees but ensuring they grow more fully and grow to a larger size. It may mean an improvement in species so that we start looking at our forests more in the way we look at our agricultural industry.

I think it is necessary also to point out that one of the former spokesmen for this party, who now occupies the Speaker's chair most of the time, the member for Lake Nipigon (Mr. Stokes), was one of the first people in the political sphere, along with the former leader of the New Democratic Party (Mr. Lewis), who started raising substantial questions about reforestation and regeneration.

Mr. T. P. Reid: Go back to my speeches of 12 years ago. They were Johnny-come-latelies.

Mr. Foulds: They raised it to such a level that the public of Ontario took up the information provided by the professional foresters of this province, who themselves had become so concerned about the inaction of the ministry that they went public, and elevated that to what I considered to be one of the best public debates that has taken place over a three or four-year history in a concentrated way in this province. Hopefully, steps like this will ultimately result in some action and some good and positive reforestation, to put it simply, because that is what we need and have needed in this province for 50 or 60 years.

There are one or two specific things I would like to find in my notes here that I would like to speak about. First of all, it does make sense to have the forest management from harvesting through to the clearing of slash, replanting and tending of the crop done by one agency. That is envisaged in this bill. It is one of the reasons we in this party are supporting the act.

However, I think it is also important to note that section 5 of the act is the essential section of the bill. That is what accomplishes what the Treasurer (Mr. F. S. Miller) thought was accomplished partially by Bill 35 last year. That bill didn't quite accomplish all the ministry thought those amendments did accomplish. There was, in my understanding, even though they talked about management agreements with the pulp and paper companies, some doubt on the part of the ministry about whether the ministry actually had that authority. That's why we have this clear definition in this act so that the agreements are clearly seen as one of the definitions of what is the licence to which we refer in the main act.

[4:15]

One of the things I found encouraging in this bill which I would hope would be embodied more predominantly in any redrafting of the Crown Timber Act that takes place in the future, is the commitment to legislative language—I think for the first time, though I could be wrong in this—the actual words "the management of crown timber on a sustained yield basis.

I don't think that's been written in those terms in legislation previously. If for no other reason that's a bit of a breakthrough. Traditionally this government, in its legislation governing the resource sector, has not envisaged management, in legislative terms, as one of the keys to our resources. I am pleased to see it in the legislation here.

There are one or two other problems I think we should note. The bill itself doesn't speak specifically to the problems of the adequacy of our seedlings and our stock and the adequacy of the actual regeneration. Neither does it speak to the fuller use of presently under used and unused species.

However what it does it does quite well. We in this party are pleased to see this step taken. If I may say so, we are willing to forego our sometimes ideological stance in order to give this method a try. In other words, we have tried a variety of ways and we, in this party are saying, "Let's give this method a chance."

I am very pleased there are the safeguards that were envisaged in the Armson report about the five-year review; I think that's crucial. I think it is critical we adhere to that principle because if we don't have that five-year review with the possible taking back or cancellation of the agreement, we could find ourselves 20 years down the road in even worse trouble than we have found ourselves in the last 10 to 12 years.

Reforestation is important; it's a shame there are so few members in the House. This debate is important not merely for the economy of northern Ontario, it is important for the economy of the whole province. I just want to put one statistic on the record, because it's one that appeals to me as a person who comes from northwestern Ontario. Almost 75 to 76 per cent of the jobs in northwestern Ontario are related, directly or indirectly, to the woods industry. In other words, it is far more important than mining to northwestern Ontario. And what is so refreshing is that if we manage it properly, it is a renewable resource. But it is absolutely necessary to live up to the principle embodied in the Armson report of that five-year review.

If anyone wishes to have a copy of the amendment I am going to propose and hasn't received it, I would be glad to distribute it.

I think it is absolutely essential for the credibility of the ministry and for this technique that the agreements entered into are made public. Hence I have made a modest proposal. I have had some consultation with ministry staff and with the minister on it, and after three draftings I think we have arrived at one that is mutually acceptable. It is an amendment that will provide that within five days of the minister signing an agreement, the agreement would be tabled in the Legislature, if the Legislature is in session: if the Legislature is not in session, it would be tabled at the resumption of the House. I think it is important that the government be seen as being open and above board in terms of these agreements.

I think one of the problems with reforestation has been that it has been a hidden problem. If you drive along the highway, even in northern Ontario, Mr. Speaker, you don't see the forests that are cut because you have cosmetic forestry. You have 50 feet of trees along the highway so no one sees the amount of cutting that takes place.

Mr. Haggerty: You have to get up in an airplane.

Mr. Foulds: That's right. When you get up in an airplane—and more and more members are doing that now with norOntair service and so on—you do see the cutting that takes place.

It is also a hidden problem in a bureaucratic sense, in that the agreements are arrived at behind the scenes by the ministry. They may very well be arrived at in good faith; the licence fees may be set in good faith; the terms of memorandums of understanding and that kind of thing may very well be set in good faith; but I think there is a great feeling of scepticism out there in the public because we know that the reforestation is not taking place. That is why I am suggesting that these agreements that are entered into under this particular bill will be made public five days after they are signed, if the House is sitting.

After considerable consultation. I deliberately used the word "signed," interpreting that to mean the actual putting on of the minister's signature after the agreement has been approved, when he had been given approval to do that by the Lieutenant Governor in Council after they had been advised to tell

him to do that by his own ministry. In other words, I see that as five days after the final thing is completed, so we don't have any problem of delivery of the message in terms of getting the thing from the secretary of cabinet down through the channels of the various ministries involved.

I, personally, would like to have seen something stronger than that. I would like to have seen something along the lines of what I proposed during Bill 35, in which the Legislature was informed ahead of time. However, at that time that particular move was blocked by the government and the Liberal Party, so I saw no sense in pursuing that method of approach.

On reflection, I see some difficulties in administration. I would at least like to take this modest step to see what that gives us. I believe the rules of the standing orders of the House are such, that if there is a gross dereliction of duty in terms of one of the agreements being signed, we have enough techniques in this Legislature, once it comes to our attention, of raising difficulties with the minister that if it were an extremely unfortunate arrangement we could use several techniques to try to get that reversed.

As I say, it is not as strong as I would like, but it is a modest proposal. I would hope that the whole House would take it as such and would agree to it.

I think that I just want to conclude with two or three final remarks. It does seem to me that section 4 of the bill—and I would hope we could discuss this in more detail—embodies the second important principle in the bill. That is the salvaging of timber. It is in this area in our forests where we have been very, very neglectful in the past. It could very well be that this is an area that, with the energy crisis facing us, could develop the whole business of salvaging timber for firewood.

It could become far more possible, I would hope, not on the hit and miss basis that occurs now, although I wouldn't like to see that discontinued. I wouldn't like to see the dropping of the method where a person is able to go and fell timber for firewood for a $5 fee. But it may very well be that a small entrepreneur who wishes to develop the firewood as a business could be using section 4 of this act when it comes to an agreement with the minister to do that and to use the salvageable wood for that purpose, as well as for the normal purposes of pulp and paper production.

I think this is a particularly good time for the government to be negotiating with the companies and I think the ministry is in good shape to drive a hard bargain. After all, the profits in the pulp and paper industry have been up quite considerably over the last two years.

I think it's in keeping with the spirit of the amendment that I'm proposing about the agreements—and there is no way of doing this in the actual legislative forum—that when the forest management manual is finally completed—and I gather it's pretty close, it's gone through a number of revisions and it's being drafted—because there are references in the draft agreements that we have had as background material to the forest management manual—I hope I have that right—I think it is extremely important that the forest management manual also be made a public document.

One of the ways of doing that would be by tabling this in the House, as well as giving it the normal circulation that obviously would take place within the ministry. There are a number of interest groups that although not directly involved in the pulp and paper industry or in cutting, the forest management manual should be made available to. I think of the lumber and sawmill workers unions, for example, and environmental groups that have expressed a concern in cutting practices in the province.

As I started out to say, it is important to understand the limits, because it is my understanding that the areas considered for the agreements at the present time—the ones that are almost ready to sign and we all hope will get signed before Christmas—are already under existing licences to the companies and therefore they do not comprise a new licence area.

In other words, we're not going to be expanding or assigning new limits through this mechanism immediately, although that's obviously possible in the future, particularly in terms of the announcement earlier today with Great Lakes taking over the Dryden mill of Reed Limited. It may very well be that some of what we call the old Reed limits, the Reed tract, could be assigned through this kind of agreement to Great Lakes in the future, should all the concerns in the area be allayed and should they need those extra limits for increased production when the company switches to newsprint.

It's important, at the present time at any rate, that the ministry only envisages these agreements taking place under areas that are already licensed to the company. It is also important that we see that the provision of section 26(2c) of the Crown Timber Act will be covered by the approval procedures of the companies' annual five-year operating 20-year

management plan. In other words, I think it's important that all that information becomes public.

I think that concludes my remarks, Mr. Speaker. I'm pleased to speak in the debate. If I could end with a cliché, it's been a long time for the bill in coming. Let's get on with the job and get at least some of these agreements signed before Christmas and let's see how they work over the next five years. Thank you.

Mr. Bolan: Mr. Speaker, I was not going to speak on this bill. However, in view of the rather lengthy and unctuous remarks made by the Minister of Natural Resources in his opening statement on the bill this afternoon I really felt compelled to voice my few remarks on it.

Needless to say, the member for Rainy River has eloquently spoken on the matter, as well as the last speaker. I'd like to point out that the significance of this bill really pales in the light of the disastrous conditions of our forests today. Why it is that a government can let this happen to one of its primary resources is really beyond me.

[4:30]

It is not as if the government were all by itself, or that we are all by ourselves in this particular industry. We have so many other jurisdictions to look at. We have had to look at the Scandinavian countries and at the northern United States which themselves have had over a number of years successful regeneration programs in the forest industry. Yet, here is good old Ontari-ari-ario struggling along, trying to make ends meet while we get through our first cut, while down the road what we see is a depletion of forests within the next 15 to 20 years.

In 1962, following the unfavourable response by the forest industry to regenerate cutover areas—a power given to them in 1954—the full responsibility for the regeneration and stand management was transferred from a licensee to the Ministry of Natural Resources, leaving private industry responsible only for carrying out harvesting. It has been argued that this separation has greatly complicated overall forest management in Ontario.

Since 1962, the province has continually been falling behind in its regeneration program. The government's record revealed a long-standing policy and practice of unmodified forest exploitation and the liquidation of our best natural growing stock. Proof of this fact is provided by the Ministry of Natural Resources' own figures, which show we are falling behind in our regeneration needs. This is in some of the tables the minister provided in the working paper when this was introduced.

I think an analysis of these facts makes it quite clear that if one tried very hard to design a forestry management system to be costly, to be inefficient, to be wasteful and to be least likely to ensure that the objectives of sustained yield forest management were achieved, that one would produce a forest management policy very close to the one we now have in Ontario.

The difficulties that are being encountered in the advancement of the effective regeneration program are not principally financial but technical. As everyone knows, trees have been planted and harvested successfully for centuries in Europe and elsewhere. All of the evidence points to a philosophy by the forest industry, encouraged by government policy, which is short term in perspective and encourages only the careless plundering of the best timber values to be found within closest reach.

Mr. Germa: Who wrote that speech for you?

Mr. Bolan: You'll have your time. Take it easy. Settle down.

Mr. Warner: He was complimenting your researcher.

Mr. Bolan: Thank you.

I would like to point out to the minister some articles which have appeared in recent newspapers, one of which appeared in the Thunder Bay newspaper, dated May 7, 1979, under the heading, "Wood Shortage in the Near Future." It is very interesting. It reads:

"More trees in Ontario are being cut than are being replanted. Some spokesmen involved in forestry say there could be serious shortages of wood for pulp and paper mills and sawmills. Kenneth Hearnden, director of the forestry school at Lakehead University in Thunder Bay, says pulp and paper companies in northern Ontario probably will have trouble getting enough wood within 20 years.

"The president of the northern Ontario district council of the Lumber and Sawmill Workers' Union says sawmills in the area of the northern Ontario town of Hearst probably will be short of wood in five years.

" 'Canada is under the happy delusion that we have vast resources of standing timber,' Hearnden says. 'That is not true any more.' " The article goes on to say that in 1977 the Premier said the provincial government would plant at least two trees for every one cut and would regenerate every acre harvested.

Mr. Foulds: Just double the amount of reforestation.

Mr. Bolan: "'It was a stupid statement,' an official with the Ministry of Natural Resources said. 'It certainly didn't come out of this office.'" Almost all the forest land in Ontario is owned by the provincial government. It goes on to give data with which I'm sure the minister is quite familiar.

I merely point this out to the minister, as he himself is probably aware of it. In fact, he is very ashamed of the condition of forestry in Ontario today.

I would like to give some more information. These are ministry figures. These are not my figures and they're not cooked; these are ministry figures.

The forest products industry accounts for 82 per cent of all employment and 83.5 per cent of the value of all goods produced in northern Ontario. In 1972, which is the best year on record for the production of tree seedlings, some 76.5 million seedlings were produced for all the province. By 1978, that number had dropped to 48.3 million. Even at the higher 1972 figure, seedlings represent only a small proportion of the total lumber cut for commercial purposes.

In Nipissing alone in 1974 there were 159,350 seedlings supplied for planting on private land, while in 1978 the figure had dropped to 25,225.

I think it's abundantly clear, as has been pointed out by the two previous speakers, that our forest industry is in very deep, serious trouble. It certainly is with a ray of hope that the Crown Timber Act is being amended to provide some working arrangement between the ministry and the industry itself for the regeneration of our forests.

Mr. Wildman: Mr. Speaker, I rise to participate in this debate in support of the bill, although I must say I am somewhat sceptical. As all of us in the House who were fortunate enough to participate in the seminar presented to us, as members of this House, in 1975 by the professional foresters at the Lakehead were made aware, as the other speakers have said for years we have shifted responsibility from the private sector to the public sector and back again, without any real success.

Professor Hearnden, to whom the member for Nipissing referred, gave a very good talk at that seminar, as did Professor Armson. Professor Hearnden covered the last 75 years, right from the turn of the century on and especially from the 1920s on. He described the complete lack of concern for regeneration by both the public and private sectors. To me, that's the only way you can characterize it.

To have a bill presented in the House that says, "All right, the government has been unsuccessful in meeting the need; we are going to now shift it back to the private sector," leaves me somewhat sceptical. I certainly agree with the whole concept of sustained yield. But unfortunately, in dealing with this in a political and economic context, it seems we have forgotten the technical and scientific questions. Certainly the Premier in his statement of two-for-one, was not talking about anything technical—or economic for that matter. Rather he was being very political and ignorant of the whole possibility of regeneration in this province and the desirability of that kind of a commitment.

If it's going to profit from the exploitation of our forests, the private sector must be made responsible for the regeneration of those forests. That goes without saying. However, if one looks at the tremendous costs involved and the lack of success by the government, I wonder how we can ensure this is going to be successful. We must have a tremendous input of funds and personnel by the private sector and a desire on their part to ensure that they are going to have timber in the future. I think that involves a long-term commitment which means they're going to have assurances of long-term limits and stumpage rights.

We were told at that seminar—and I've seen since in the reading I've been doing and the discussions I've had with foresters both in the public and private sectors of this province—that we are only regenerating a small portion of the area cut. One third of our cutover areas are left barren with absolutely nothing done. The ministry considers another third will regenerate itself naturally, and one third is regenerated by what might be called artificial methods. Of that third, only about 50 per cent has been successful. This leaves us with a very small portion of the areas we're cutting that are actually growing trees.

The problem with the statement which the Premier made, the two-for-one, or even the other comments made by the present minister's predecessor about the one-for-one, is that the total number of seedlings that are planted makes little difference. What really matters is how many trees are growing five years after they've been planted and the success of the ongoing silviculture.

As far as I'm concerned, the government has not made a commitment in terms of

funds or staff to ensure we have adequate tree growth throughout the period in which it's been the responsibility of the Ministry of Natural Resources.

Unit foresters cover a tremendous area, an unbelievable area. It's something like the conservation officers, as far as the ministry is concerned, in northern Ontario. It's impossible for them to do an adequate job. We need more staff. Certainly if this bill is to be successful, we're going to have to have that kind of commitment from this government. If they're going to be able to carry out the kind of supervision and inspections that will be required to ensure the private sector is carrying out its responsibilities under these agreements, we're going to have to have more staff in the field and not in the ministry offices.

In terms of things like the nurseries, in the past the ministry has used a sort of hit-and-miss approach. Recently I had some correspondence with someone in the ministry about the nursery at Kirkwood in my riding dumping something like 100,000 seedlings. I just couldn't believe what they were doing. I was told afterwards that if seedlings grow for more than three to four years they are then too big to replant and are no longer useful. That was the reason for this being done.

[4:45]

They didn't go on to say what I suspect is the fact, that the reason they weren't replanted—and I admit it could have had to do with climate and a number of other things; the weather might have been poor and so on—prior to them becoming too mature for successful planting was that there wasn't enough staff and enough funds made available for the planting that would have been necessary. That certain year the district must not have had enough money, so they didn't hire enough tree-planting crews, the seedlings were left in the ground and they went on another year and so on until they were too mature.

To top it off they dumped them. I asked them, "Well okay, if you are not going to plant them, why on earth are you dumping them? Why don't you make some available to farmers or other people who might like to plant them?" I was informed "Well, only in certain nurseries do we do that. We don't do that in northern Ontario." I believe they do it in the nursery they have near Kemptville in eastern Ontario and a couple in southern Ontario, but they don't do that in the north for some reason. Why, I don't know. There hasn't been any kind of an explanation given.

Really, this is just a small example, Mr. Speaker, of the lack of concern on the part of the ministry. I don't want to be misconstrued as saying that the members of the ministry at the local level or even at the regional level or higher aren't concerned about reforestation. I think they are, but I don't think they have been successful in persuading the government they must have more funds, they must have more staff to make a concerted effort to replant. Not only do they need staff to replant but also to administer the areas, to supervise the areas that are being cut, when they are being cut and to ensure that when the cutting is finished the acreage is going to be in such condition—that there isn't going to be slash all over the place—that will make it possible for regeneration.

Some of the messes left in my area after a company has gone through and done the cutting are really despicable. So much so that the districts in our area will give out to small jobbers the job of going in and trying to clean up the mess left by the larger companies. They can't get limits themselves, only the larger companies have them all tied up. The jobbers are stuck with going in and trying to clean up the slash and they take what is left over. It has been sort of a hit and miss thing.

The one thing that really bothers me is that in part of my area we have the Algoma Central Railway that holds a number of townships in my area, and, in relation to this bill, we are giving it to the private sector. Algoma Central Railroad administers those townships, they lease out the limits to private companies to take the timber off those limits, and they are in charge of regeneration. The ministry isn't involved, I will admit; the ministry isn't directly involved in it.

I recently went through an area that Newaygo Lumber had cut on the ACR limits. There were piles of wood that had been cut in 1974, something like four years earlier and they had been sitting there rotting.

The way I got involved was because Newaygo Lumber had threatened to charge some of the local people who had gone in and decided to cut this stuff up for firewood because Newaygo wasn't using it. They had gone in and threatened to charge these people with theft, but the fact is that this timber was just lying there, waste. It hadn't been used and wasn't being used. In the areas that had been cut over were tremendous amounts of slash and someone had gone in—I guess the ACR or maybe Newaygo, but I think it was the ACR—and planted seedlings, sort of indiscriminately all through this mess.

If that is an example of what the private sector can do, I am a little concerned about this. That is why I say we are going to have to have a great deal of supervision from the ministry.

I realize in the bill it says there is going to be a review after five years and at that time the agreement can be renewed or revoked and so on. We are going to have to get some kind of assurance from the company that makes the agreement, that it is going to fulfil its responsibilities, because if it doesn't, when the ministry comes in after five years and finds they haven't done it and the minister revokes the agreement, what happens?

As I said at the beginning, Mr. Speaker, I appear somewhat sceptical about this. As a member of the House representing a northern riding, a large portion of which is dependent on the forest industry, this is a matter of very great concern to me and has been for years. I don't think very many people, even those members of the House who went to that seminar, have any real idea of the tremendous number of acres with which nothing has been done, absolutely nothing. The southern part of my riding is growing up in waste poplar bush. In many cases the north end is just a large mess.

I have tried to get information from the ministry staff on regeneration on the various limits. It is very hard, frankly, to read what they are saying because until a few years ago they didn't keep those figures very well. The figures they have given me on certain limits indicate a very small area with anything done on it.

In 1975 we were told it would cost, at that time, about $35 an acre to regenerate. I imagine it is quite a bit more than that now. If the private sector is going to be responsible, it is going to mean a great deal of funds involved and I am wondering whether they will adequately fulfil their responsibilities.

In the past, we haven't farmed our forests, we've mined them. Our technological development has been far more involved with extraction than regeneration. If that kind of history by the private sector is an indication of what we are heading to, then I am sceptical. I am hopeful, but I am concerned this may not work out. If it doesn't work out, where are we going to be? Are we going to be coming back in a few years with another bill saying okay, we are going to do something else?

I think there has to be a commitment now, from both the private and public sectors, that we are going to preserve the forests and we are going to develop a real commitment to sustained yield. It is not going to be just a few words in a piece of legislation, but we are going to make the commitment necessary to not only regenerate what is cut in the future but to catch up on the tremendous backlog because of the waste in the past. That is going to involve a great deal of effort and resources; financial, technical and human resources. If that commitment is there, then this bill might be successful and I hope it will be.

I hope the minister will take the views of the members of the House to heart and ensure his ministry provides the required supervision to ensure this method will start to rectify the tremendous neglect we have experienced in the past.

Mr. Renwick: Mr. Speaker, it is with some temerity I enter into the debate on this particular bill, because of the minister who is charged with the carriage of it in this House, a minister whom I affectionately know as the Anastas Mikoyan of the Ontario Legislature because of the survival qualities which he has had through troubled times in the Tory party.

The other reason why I have some degree of temerity is I know nothing about the forestry industry. I know as much about the management of it as the minister knows.

Mr. T. P. Reid: It is not stopping him.

Mr. Renwick: Therefore, it is for that reason I am somewhat emboldened to speak with him about the bill.

Incidentally, and simply because this debate mirrors a real concern which the member for Nipissing referred to for those on this side of the House—we are in a very real sense under the rules talking into a vacuum, because the minister has made no statement and his colleague, the Provincial Secretary for Resources Development (Mr. Brunelle), who introduced the bill six months ago made a seven-or eight-line statement with respect to it. Therefore, one is in a situation where one is frustrated about the methods of debate in the assembly.

One has occasion to look at the rules of the House. I am not going to pursue that, other than to draw to the Speaker's attention in the most respectful submission that when the minister rises to speak it will not be pursuant to rule 55 of the House because that connotes that he has already spoken and that he is entitled to a reply, which otherwise would mean he would be speaking twice and that is what he is not permitted to do.

Rule 55 says that when the minister chooses to reply we will allow him to do so. You, Mr. Speaker, can say that when he has replied that will terminate the debate. But I submit to you that rule 55 doesn't apply to this

debate. So the debate will not terminate when the minister speaks, because in the light of his remarks—when he does speak, when he chooses to speak—other members of this House may very well choose to participate further in order to be able to deal with what the minister is talking about in this bill.

Mr. Wildman: That's right.

Mr. Renwick: I simply draw that seriously to your attention, Mr. Speaker. Perhaps you could consider it during the time that I am speaking about the bill.

No member may speak twice under our rules. The only exception is rule 55, which states that in a reply a minister may speak and then the Speaker may call that the end of the debate. The minister has forfeited the protection of rule 55 by failing to make a speech to this assembly about this particular bill.

I seldom get involved in the technicalities of the rules, but when the minister presents a bill to this House when it stands on the order paper for six months and the minister doesn't choose to tell us about the substance of his bill, and we are required to stand up and sort of speak to something over which the minister has made no statement, then I think there is something seriously wrong with the procedures of debate in the assembly.

My riding of Riverdale was long since cut over and we only have ornamental trees there. That probably spoke to some default in some prior government, likely a Tory government and undoubtedly perhaps a Liberal government in the latter part of the last century in this province.

Mr. Kerrio: It was probably an NDP tree.

Mr. Renwick: That does not eliminate the concern which people in a riding such as my riding have about the failure of the government over successive periods of time, with respect to the management of the forest industry. My colleagues have said it's kind of a council of despair that we will support the bill, as much as to say it can get no worse, it may possibly get better. That's about the level at which this debate is being conducted now in the assembly.

I think this House is entitled to know why the present provisions of the Crown Timber Act which have as the heading introducing those sections Forest Management—which are now no longer, with some minor exceptions, because of drafting techniques—will apply to the agreements which the minister is asking this House for permission for him to enter into.

[5:00]

Why is it that that forest management scheme envisaged by the Crown Timber Act and in the statute for some considerable period of time has failed? Why is it that this method should invoke from us our approval as an improvement or a substantial change in what the government is going to do about crown timber in this province?

I think we are entitled to know what this bill is going to accomplish in the minds of the government. We are entitled to be told that it's not just another try-on, another possible way in which we can deal with these matters of forest management. I want to be told as a member that this method will be effective to accomplish the purpose which has eluded this government over the years, despite the broad provisions which already exist in the Crown Timber Act.

I want to know why the change and what can be accomplished under this new provision which cannot now be accomplished under the provisions of the Crown Timber Act as they presently exist.

Mr. Wildman: With the right commitment.

Mr. Renwick: There is nothing to indicate, in anything that I can express in the English language as set out in the bill and as set out in the act, which says to me, a person not knowledgeable about these matters, what can be accomplished under these agreements which cannot be accomplished under the present methods. I can't possibly see that we can under these new agreements do away with things called a plan of management or an operating plan or an annual cutting plan.

I don't understand why the changes in verbiage in the semantics of the bill or the change from something called a licence, which has a sort of a definitive grant of authority which can be revoked, to an agreement which has specific terms and conditions, is going to work any magic.

I think the ministry puts us in a very difficult position. Time will show that the parties on this side of the House agreed with the government to grant this kind of authority. Are we now at some point down the road going to be responsible and share the responsibility for the failure of the government as envisaged by the present act? Are we going to be the ones who must share with the government that responsibility and if we are, what safeguards and what protection is this assembly going to have from the ministry that the ministry has the will, the determination, the plans and the policies which will ensure that these magic terms, "sustained yield basis," will have some real merit and authority when the government enters into these agreements?

My colleague, the member for Port Arthur, referred to it as a modest matter. My colleague, the member for Algoma, referred to it as a matter about which he was very sceptical. I want to reinforce in my own small way a concern from an urban riding that I not only feel that I am sceptical about it, but I have absolutely no confidence.

My lack of confidence may come from abysmal ignorance. Maybe the minister can share with me from the fathomable depths of his wisdom some of the things which will give me some confidence in this bill. I feel that we are being asked to support a change in the bill simply because things are so bad that we have to do something to make them better.

Is it because the government has to go as supplicant to the major forestry companies and say, "Please negotiate an agreement with us because we don't want to take you on with the authority which is presently vested in the Crown Timber Act. We don't want to use any of that particular authority against you, because you are so big that without you we won't know what to do with those crown timber lands," or, in the alternative, are you saying that this government hasn't got the will to manage?

It is a rather strange thing that very shortly, perhaps not today, another bill standing in the minister's name is going to come before us, where instead of a licence to quarry he is going to assert the government's position to manage that industry. At the same time, back to back, we are being asked to approve the delegation or the abdication of the responsibility of management of another industry. I find, from a single ministry, that confusion to be something other than my mental capacities can reconcile.

I want to say that very clearly. The key is the management. The minister is giving up the right to manage here and he is taking the right to manage under Bill 127, which we are going to be debating very soon. Why does he give up on the one hand and manage with the other? Is he so short of skills and abilities that having mismanaged this one he wants to take on the other industry and mismanage it for a few years?

Mr. Van Horne: You are so subtle.

Mr. Renwick: I don't often speak quite so directly to this minister, for whom I have the greatest respect, but I just want him to understand that we here don't understand what this is all about. Many of my colleagues are extremely knowledgeable and have followed for years the fate of the forestry industry in this province and the failure of the government and of the industry to protect those forests on a sustained yield basis.

I need to know some of the answers to those questions, because when we come to the committee stage on the bill there are very serious problems about the bill. I find it extremely difficult to find that I am being asked not only to agree with this change in the procedure which is going to be followed by the government by way of agreement, to then find that I am going to grant authority that any such agreement may provide such and so, and so on, and then go on and say, "Any such agreement shall be subject to the terms and conditions prescribed in the regulations."

We haven't seen the regulations. We don't understand what is proposed in the regulations. Until my colleague referred to it there was nothing to indicate that these agreements were ever going to see the light of day. I do hope at least that the government will indicate to us that as and when each of these agreements is entered into it will be tabled in this House, so that we will see them and understand them and can look at them critically, to see whether or not they are going to accomplish the goals and the aims and the policies which the minister, I hope, is going to tell us are the goals and objectives and aims and the will and determination by which those goals, objectives and aims are going to be achieved.

I have expressed my concern about the bill. I have expressed my concern about the failure of the minister to have stood in his place today and said, "Look this is what this bill is intended to do. This is why we need it. This is what it is going to accomplish over what is presently in the statute which we now have. This is what our aim is. This is what we intend to accomplish."

I think I have read the bill carefully, in order to try to understand it. I don't find anything about some five-year review; nothing that I see in here. Am I incorrect? Is there anything in the bill about five-year review?

Are we being asked to buy another one of these blind suggestions that somewhere maybe perhaps somebody will remember that on such and such a day on November 5, 1979, the government said there will be a five-year review? If we happen to remember it, some minister will stand in his place and say: "Oh that five-year review, yes, we're not quite ready with it. The report is being prepared. We haven't quite accomplished our goals but we're getting on well with the forestry companies and another five years

is necessary for us to complete our review and to achieve our goals."

Mr. Van Horne: Where were they last week when we were talking about a five-year fiscal plan?

Mr. Renwick: I will be listening with great care to what the minister has to say. I don't know whether any of my colleagues, after he has spoken, are going to ask the speaker for an opportunity to speak because there's no need to invoke rule 55 at this point in the debate.

At some further time down the line the minister may stand in his place again. At that point, after our members have had an opportunity to speak in the debate to answer the points made by the minister or to talk about what he has to say, then perhaps the minister can rise. At that time we can invoke rule 55.

Mr. Speaker: Does any other member wish to speak in this debate before the minister's response?

The member for Riverdale has reminded us of the provision of rule 55 which states: "A reply is allowed to the minister or parliamentary assistant who has moved second or third reading of a bill after all members wishing to speak to the motion and any amendments thereto have spoken and the Speaker shall inform the House that the reply closes the debate."

The fact that the minister who moved second reading did not choose to make an opening remark doesn't change or alter either the application or the enforcement of any standing order, particularly standing order 55. So if there are no other members who wish to speak, the honourable minister will reply and close the debate.

Hon. Mr. Auld: Thank you, Mr. Speaker. I had some slight criticism on Monday after I made a fairly lengthy statement in connection with our estimates. The background is that I was absent and brief remarks were made on my behalf by the Provincial Secretary for Resources Development when first reading of the bill took place in the House.

Under the rules of the House a compendium of material was provided to both parties and to the critics in connection with the background of the bill. The material included the Armson report on which the basic forest management agreement policy is based. It was a very thorough report looking into and commenting upon a number of the matters that had been commented upon by honourable members in the House today —the history of regeneration or lack of it in the province over the years. It doesn't seem necessary to me to repeat these things in the interest of saving time of this House.

There was no suggestion on my part, I hope, that I was not going to keep the members of this house informed. Of course, as one of the honourable members mentioned, we also produced a copy of the agreement, along with the compendium which sets out very clearly the rules that will now apply to regeneration that were lacking in the past.

[5:15]

If I can go back to the comments of the member for Rainy River dealing with the 20-year period and the five-year reviews, the agreement was originally made for a 20-year period. If the review is satisfactory it is renewed for 20 years, more or less indefinitely, except that there are reviews every five years. If it is not being done satisfactorily, then we say, "Either do it satisfactorily, or we will remove the licence." It's that simple.

The proposal for the 20-year period with the five-year review was actually part of the submission made, I believe, by the industry to my predecessor after discussions in which it became clear that the industry was also concerned about regeneration and was prepared to enter into agreements with the ministry if the ministry so required. There has been a good deal of negotiation with the industry as a whole to produce the terms of an agreement, which we now have and which we believe is satisfactory to the industry as well as to ourselves.

As far as federal financial participation in reforestation is concerned, there is nothing to prevent this. As a matter of fact, in the Department of Regional Economic Expansion agreement we entered into with the government of Canada last fall, honourable members will recall that there was some $70 million, of which about $11.5 million was allocated for research and development; the remaining amount is for forest access roads and bridges, at this moment primarily to reach over-mature and mature timber which otherwise might not be made use of effectively. Those roads, of course, will be important and very useful in the reforestation which will take place as the agreements are signed.

We have three or four companies, out of approximately 11, which are ready to sign as soon as this bill receives royal assent. I would think it will not be long before we will have the rest completed. As a matter of fact, if we were to have them all in place tomorrow I don't think we could handle them

all at once. We do have an additional $4.3 million this year for reforestation in these agreements and some 25, I believe, additional staff. Obviously, we are looking at something in the order of $15 million or $20 million a year when everybody is on board, and that may take two years to reach.

The agreements don't preclude any arrangement whereby the federal government can produce money which can be directed to a company for forest management.

Regarding third-party agreements, the agreement holder will be accountable for performance under the forest-management agreement. I would suggest that if the member for Riverdale were to read that agreement, which has been submitted with the rest of the material, a number of the matters of management to which he referred are spelled out. There are rules or manuals, or specific parts of the agreement which will specify silvicultural practices, treatments that must be made and that sort of thing—

Mr. Renwick: Are they in the regulations?

Hon. Mr. Auld: —to produce the kind of regeneration the technical people tell us is required.

Prior management units will remain and, as presently envisaged, the ministry will be doing the regeneration of crown management units which, for the information of honourable members who aren't familiar with them, are those areas where a number of people have licences, perhaps for different species in the same land. It obviously will be very difficult to arrange for individual licence holders to regenerate individual species in the same acreage.

Getting into what I suppose really might be better dealt with in committee, the member for Rainy River mentioned the proposed section 3. This section applies to volume agreements, not to licences. I should say that of the eight sections in the bill, sections 1, 5, 6 and 7, I believe, relate to the forest-management agreement. The other sections are really housekeeping sections which would have been put forward whether we were proposing the agreements or not.

Section 3 will permit the ministry to enter into a supply arrangement for a mill, frequently for a 10-year period, with options for renewal. It doesn't convey a right to cut crown timber. Other sections of the act do that; for example, sections 2, 3 and 5. Section 8 is not relevant to the forest-management agreement. It's a housekeeping change only to permit the minister to establish management units without going through cancelling the present licence and so on and having a hiatus.

The member for Port Arthur expressed concern about section 4. It's really a housekeeping change to accommodate an agreement as well as a licence. It doesn't change the intent of section 4 at all. It's still our policy to encourage salvage wherever it is feasible.

In amendments to the Crown Timber Act, my predecessor last year said in the debate, when the member for Rainy River and, I think the member for Port Arthur mentioned these agreements being made public, quoting from Hansard, "We don't see any real problem with the regeneration agreements being made public. I don't foresee us not being able to make them public."

As I mentioned the other day to the member for Port Arthur and to the member for Rainy River, I have no objection to the amendment. I welcome it, and I'm informed that in its present form it still does what we both want it to, so there will be no argument about that.

The forest management manual, which is an important part of the agreement, will also be a public document. Great Lakes Forest Products Limited has indicated to us that it is prepared to enter into a forest-management agreement in the Reed area, assuming that that is completed, as they are with the Ignace area where it is ready to sign tomorrow.

I hope I've covered the matters which have been brought up in the debate on second reading thus far. I would hope we might be able to move into committee and go through the amendments themselves to deal with them so that we would be prepared for third reading because I'm delighted to know that both parties are supporting the amendments and are anxious to see us sign some agreements before Christmas.

Motion agreed to.

Ordered for committee of the whole House.

House in committee of the whole.

CROWN TIMBER AMENDMENT ACT

Consideration of Bill 77, An Act to amend the Crown Timber Act.

Mr. Chairman: Are there any comments, questions or amendments to any section of this bill? On what section?

Mr. T. P. Reid: On section 4.

Mr. Chairman: Is there anything prior to section 4?

Sections 1 to 3, inclusive, agreed to.

On section 4:

Mr. T. P. Reid: I have one short question on section 4. Is it the minister's intention to pursue a tender system on salvaged timber on non-licensed land? On what basis does he intend to dispose of that timber?

Hon. Mr. Auld: Mr. Chairman, I believe in the past it was dependent, first of all, on the area, but to a greater extent on the amount of salvageable timber and the condition of it.

As a general rule, we have called tenders where it was worthwhile. If it is just a few cunits, I would assume we would, perhaps, negotiate or indicate it was available, set a price, and ask people to come and take it so as not to go through the time and the cost of advertising for tenders.

As for our general policy, where it is economic to do so, we would call tenders or, perhaps, have an auction.

Mr. T. P. Reid: I have one further comment, if I may. Would the minister not agree it is better to have somebody take the salvaged timber in some cases, even though the tender offer may be low, rather than to leave the timber in the bush in a knocked down or salvaged state so, first of all, the bush is a mess and, second, no regeneration can then take place? It would almost be better to give it away.

Hon. Mr. Auld: It may well be, if we're dealing with an area within a forest-management agreement, there would be provision before proper replanting or treatment could be given; it would be like slash, you'd want to get rid of it. It may well be it is more economic to have somebody come and take it away than to leave it there.

Mr. Chairman: Are there any further questions on section 4? The member for Port Arthur.

Mr. Foulds: I want to make one or two comments specifically about section 4.

The minister indicated there is no change in principle in this section and substantially it is just a housekeeping amendment.

One of the major problems I have is there has been, in the past, a good deal of waste in our forests. Although I fully understand the necessity for modified clear-cutting, for example, in certain areas, I do hope this section can be used, whether it's housekeeping or not, to encourage the profitable development of what you might call some fringe industries associated with the wood industry—for example, the development of some small entrepreneurs to harvest the damaged kiln timber for firewood. I know traditional thinking within the ministry has been that such an industry is not profitable; the lines of supply are too long and the amount of work, energy and gasoline you have to put into salvaging the timber is not profitable. Nevertheless, I would hope we wouldn't just use a section like this as we have used it in the past.

[5:30]

Second, I think there is a different concern on the same section, Mr. Chairman. There is an unease felt in the Legislature—and it was expressed by my colleague, the member for Riverdale when we pass legislation in this House that includes phrases such as "subject to such terms and conditions as the minister considers proper." The opposition, to put it bluntly, always feels a little qualm when it endorses a piece of legislation to give such tremendous regulatory authority to the ministry as the phrase from section 4 indicates.

There may be justification for that in administrative terms but the administrative advantage of that must be extremely powerful to overcome the traditional right of a Legislature to set taxes. The government brings in tax bills but the one authority that a Legislature has is the authority to reject those bills. As I was saying last night in the estimates debate, this ministry is a powerful ministry and can be used as a powerful tool for industrial and economic development in this province because it is one of the few ministries that has taxation powers.

I wanted to get these comments on the record because I share with my colleague from Riverdale some unease about the blank cheque we give to the minister. Time and again we give him this power with the assessing of licences, the fees that are established, either in a section like this or previous sections of this bill or previous sections of this act.

Thank you, Mr. Chairman.

Hon. Mr. Auld: Actually all this section does is include in the future that a licence includes an agreement. At the present time, as I mentioned, there are methods of disposing of timber and in fact the policy is on a licence. We request the licensee either to remove it and if the licensee does not do so, then the district manager takes some other steps such as selling or perhaps, if necessary, hauling it away. But all this section does is recognize that in future the term "licence" would also include "agreement" as far as the existing powers are concerned.

We also, I am told, issue licences just for salvage. It's very common after a fire, I

suppose, with stumpage charges considerably below the normal for crown timber.

Mr. Foulds: Do you have any idea what they are or what the ratio is? Or do you just set it arbitrarily in each case?

Hon. Mr. Auld: If the honourable member would like, we could proceed to the next section while I get that information from my experts under the gallery. I would assume it must vary, depending on the condition of the wood and the difficulty in getting it and the quantity and so on, but—

Mr. Chairman: Are there any more questions on section 4?

Hon. Mr. Auld: I am getting some nods. I think that is the answer.

Mr. Chairman: Is the member for Port Arthur satisfied with the answer or—

Mr. Foulds: I would like confirmation of that.

Section 4 stood down.

On section 5:

Mr. T. P. Reid: Mr. Chairman, this is where we get into the actual agreements we are dealing with. The fear has already been expressed about the sort of carte blanche that we are handing over to the Lieutenant Governor in Council or the minister to make these agreements.

What I am particularly concerned about, as I said already, is the fact that as I read the agreement—and I hope I can refer to the agreement or the draft agreement; God knows we hope it will follow along the lines of the draft—it seems to be the province of Ontario, the grateful taxpayers again, who are on the hook for a great deal, as they have been, in regenerating the forests.

As I understand it, they are going to be responsible for assisting in roads, surveys, the monitoring and auditing function of the work that has been done and the money that has been spent, the cost of regeneration of the non-regenerated lands that will be looked after by the province and a whole host of other things. When I come to find out what sanctions there are in the agreements or what incentives or disincentives there are, I find we talk about specific liquidated damages and that a penalty will not be assessed by the ministry if the agreement on regeneration is not carried out. That means that the ministry can say; "All right, it cost us or should have cost us X number of dollars to do this, but you haven't done it," or, "We have done this much and you haven't done your job. It is going to cost you X number of dollars."

I would like to know what penalties or sanctions there are. If the minister says he can always cancel a licence, which was his answer earlier, I find that completely unacceptable. You have had that power. You have it in the Crown Timber Act as written. You have never used that power. I don't know of one licence at all that has been cancelled. You are not changing that under the act.

What sanctions are there? What are you going to do to change the history in the province, at least in the last 17 years or the last 25 years from 1954, if you like, when the regeneration has not been done by the company?

What are you going to do or what can you tell us here under section 5 of this bill that you are going to do if the companies don't do what they are required to do or if the companies don't do what they say they will do? If the companies don't carry out the operations under this draft agreement or the agreement when it is finally signed, what are you going to do, other than assess liquidated damages, which may not come to very much? What other sanctions are there, other than that loss which nobody can put a figure on and which may come to very little?

I say to the minister my real problem with all of this, because your history has been absolutely terrible in forcing these timber companies to do anything, is what under this agreement that we are supposedly agreeing to here tonight is there to ensure that what is supposed to be done under the agreement is going to be done?

Hon. Mr. Auld: Mr. Chairman, neither the member for Rainy River nor I are of the legal profession. I am informed—and this applies to a number of similar kinds of agreements, such as highway contracts—that any time you assess a penalty for non-performance you may have to produce a bonus for performance above the standard which has been asked for.

With liquidated damages, if you show a loss it can be collected. There is no automatic premium in that case for somebody performing better than the requirement.

Mr. Martel: Is there no requirement for them because they have done nothing?

Hon. Mr. Auld: I am glad the honourable member is here. I mentioned that when we were talking a few minutes ago about the provisions of the agreement and the manual that is involved.

So, I think we will be in a position—a position in which we were not in before—to in effect collect money for things that should have been done and weren't and where, as a consequence, there is a loss to

the owner, which is the taxpayer, of timber that would have been grown or would have been grown faster.

I am told by my experts that the courts will not allow penalties for breach of contract, consequently only liquidated damages may be requested. Paragraph 4 of the agreement will enable the minister to make good any default of the company at the cost of the company.

Mr. T. P. Reid: I have that and I have it underlined. I am not a lawyer either, but at the same time, as I understand it if the company performs over and above, they increase their productivity, then there is something in it for them. They only pay 10 per cent of the ordinary stumpage charge on that section. So they are already looked after if, in fact, they do something better than they are supposed to.

Hon. Mr. Auld: That's right, and it's set out in the agreement so that's the amount it will be, nothing more.

Mr. T. P. Reid: I am sorry to be obtuse about this, but in section 4, where the company fails to regenerate forests under subparagraph 3, the company agrees to then pay to the minister an amount of money equal to the costs of regenerating such area, at the rates referred to in schedule D for the treatment that, in the opinion of the minister, has to be applied to such areas.

As I understand that, all you are saying is, "If we have to regenerate this area between the benches and you don't do it and I figure it's going to cost $20 I am going to assess you $20." It is still going to cost the grateful taxpayer the $20 to do it because they are going to have to do the work and in the time, presumably in the five-year period, that regeneration is not going to be done and the company will go and pay the money that it would have paid anyway to you, but you would have paid them the $20 to do it anyway.

Hon. Mr. Auld: We wouldn't have paid them $20 if they didn't do it. But then we assess them.

Mr. T. P. Reid: You assess them for the work that they should have done in the first place, which is what I thought we were trying to get away from in this particular bill. So the minister is saying, "All right, if you don't do the regeneration, I as minister, will have my people do it, I will have it done. It will cost $1,000 and we will assess you, the company, the $1,000 that it costs to do it." Are we any further ahead, Mr. Chairman, with that kind of system?

Mr. Nixon: No further at all.

Mr. T. P. Reid: Thank you. Mr. Chairman, I didn't know you were a ventriloquist.

Quite frankly, Mr. Chairman, I am at a bit of a loss. I didn't agree with my friend, the member for Riverdale (Mr. Renwick). I thought he was making one of his off-the-wall speeches as he has been doing more frequently. But he is absolutely right when he asks what we are doing in this bill if we are not changing anything that's already there. We aren't. There again the only penalty is liquidated damages they are going to pay the minister because he is going to do the work he is doing now.

Hon. Mr. Auld: But we expected we'd have no provision to collect liquidated damages.

Mr. T. P. Reid: That is the only improvement, but to my mind I still cannot see that being a strong enough incentive sanction, or disincentive, for the companies to go ahead and do this kind of regeneration.

[5:45]

It is not going to improve the whole situation and probably the ministry won't catch up to them until the end of the five-year review period, which means again that we are going to be a further five years behind and they are bankrupt or whatever. I must say that a lot of these things are covered in here, but I really don't see we are really accomplishing all that much instead of, as my friend here said earlier, again maybe raising people's expectations in Ontario that reforestation and regeneration are going to improve.

Mr. Foulds: Mr. Chairman, I have an amendment to this section but I'll wait to place that because I want to speak on the subclause first. I don't want to speak on my amendment at the moment, because I think the previous speaker in the debate has isolated an extremely important point in this debate and it gets back to something, if I may be immodest, I said in my leadoff on the bill.

This is a very modest step, and I really worry that the expectations of people in Ontario and the expectations of the people in the ministry are being unduly inflated by this modest step, because presumably the theory in the Crown Timber Act past was that the economic rent that we got from the resource in tenure charges, stumpage fees, what have you, was more than sufficient (a) to give the people of Ontario some return on their resource, and (b) to provide the ministry or the government, the general consolidated revenue fund, enough money that the ministry should carry out the reforestation.

That didn't happen. That didn't happen because of a lack of will on the part of the government to assess the necessary fee, tenure charges, what have you, and it didn't happen because the Ministers of Natural Resources in previous times did not have the clout with the Treasurer to insist that in their budgets they got enough to carry out those reforestation responsibilities.

Now, here, what the government has decided to do is to give to the timber companies the responsibility for the management plan and for reforestation, but my friend from Rainy River rightly points out that there is neither a strong enough incentive nor a strong enough disincentive to ensure they will do it.

What we have in the equation is the same balance. We have a different methodology but we have the same equation. If they fail to do it, the government can say, "Right. Okay. We will do it and we will charge you for doing it," but that's just a little bit more direct way of doing what the government was supposed to be doing in the past in any event and failed to do. We don't even have the assurance that the revenue gained from the company will meet the cost, because it will go into the consolidated revenue fund and probably get frittered away on something else.

So we don't even know if the ministry will have the funds available to take the initiative and step in and do the job that is not being done by a defaulting company. I think that is, in fact, a very serious default in the legislation. If my colleague from Riverdale rises and my friend from Rainy River in the Liberal Party rises and speaks on this section again, opposing it, I may have to reconsider the position that I recommended to this caucus on second reading.

The more I think about it the more angry I get, but I would like the minister to respond to those remarks at the present time before we move further down that section.

Mr. Martel: How are things going to be different?

Mr. Renwick: I am equally at a loss as to what the minister is about, so I have to ask him one or two questions. I notice he is going to retain, as applicable to the agreement, two of the provisions of the bill related to forest management, namely, sections 27 and 28. One is with respect to wasteful practices and the other is with respect to his right to get information.

I notice very clearly the only remedies the minister has with respect to that kind of contravention will be the suspension or the cancellation of it because, so far as I can read it, included in section 46 dealing with the penalty provisions, are no monetary penalties imposed with respect to a contravention of section 27 or 28 dealing with wasteful practices.

Hon. Mr. Auld: Is the honourable member referring to the agreement or the existing Crown Timber Act?

Mr. Renwick: I am referring to the existing act and the gap which the member for Rainy River pointed out. He was referring to the agreement; I am referring to the act.

Perhaps I can narrow my focus down very clearly. Section 27 of the act says, "No person shall commit a wasteful practice in forest operations." The act does not provide any penalty in the penalty section 46 with respect to that. It does, however, provide in sections 29 and 30, if I read them correctly, a provision for suspension or cancellation in the event of a wasteful practice. Those are, as the minister obviously over the years has found out and his predecessors have found out, a somewhat Draconian way of dealing with problems.

My question to the minister is, with the definition of sustained yield which is in the bill before us, in subsection 2 of this section, is he intending to describe by way of regulation the wasteful practice as being a failure to maintain a sustained yield in accordance with the provisions of the agreement and the definition?

If he is intending to so extend the definition of wasteful practice, is he intending or would he consider placing in the statute, in addition to whatever other remedy he may have under the agreement, a specific penalty provision, so a company under an agreement failing to maintain the sustained yield will be guilty of a wasteful practice, which is a straightforward statement in the act as defined by the regulation, and will be subject to a penalty?

Those are questions because of the gap which the member for Rainy River has pointed out. I think we have to have some assurance the ministry has the tools to carry out the purposes of the agreement.

Hon. Mr. Auld: Actually, the penalties for wasteful practices are at present set out in the regulations. I understand there have been sums levied in the past for contravention of those regulations.

Mr. T. P. Reid: There are, but they don't amount to much.

Mr. Martel: I am concerned as to how the ministry is going to change things. I visited

a number of these sites a number of years ago, and more recently have seen a number more. We haven't done well, to say the least, in ensuring there is a continual yield. We have been directly responsible for it and for our success rate.

I have read Armson very carefully. In fact, I think I read him a couple of times because it was pretty devastating stuff.

My concern is that we couldn't do it when we were responsible. We didn't have the staff, unit foresters and so on to get out and take a look at it. Aside from what the three people who have just spoken ahead of me are concerned about, my concern is what are we going to do, if we're just going to act in a supervisory capacity, that was any different from what we did when we were responsible?

Are you getting the money that's necessary to bring about some of the recommendations of Armson for the appropriate number of unit foresters and so on who are going to get out into the field? Without even going to the penalty clause that we're talking about to start with, what kind of extra funding are you going to get to make this a reality? We saw some very nice sites, those of us who have taken the trouble to go out to Lakehead University and talk to the staff. They're overwhelmed at what we're not doing in order to guarantee supplies in the future.

Mr. Wildman: So is Ken Armson.

Mr. Martel: Yes, so is Armson. His report was a pretty devastating report of what we're not doing. Now we throw it back to Dracula to do the job. We took it away from Dracula in the first place; now we're giving it back to him. We didn't do much of a job when we took it over. How are things going to differ? I think that's what worries us on this side of the House. Might I ask at the same time where the clause is in this bill of two trees for one?

Hon. Mr. Auld: To answer the second question first, it isn't in there. So there's nothing wrong with the member's eyes. I'm not saying anything else about the rest of the member but I say there's nothing wrong with your eyes.

Interjections.

Mr. Chairman: Order, order.

Mr. Martel: I just go by what the Premier (Mr. Davis) says. But I hadn't even yielded yet, Mr. Chairman.

Mr. Chairman: But you sat down.

Mr. Martel: No, no. The minister stood. He was so provoked by—

Hon. Mr. Auld: I'm sorry, Mr. Chairman, that the honourable member wasn't here earlier when I mentioned the additional resources the ministry has this year—$4.3 million and I think 25 additional staff for the work of policing the agreement and for the money to pay for the work done under the agreement. But I'm sure—I've just repeated it so he is aware.

If I may go back to section 4 again, the salvage rates vary from 10 cents per cord to something below the regular crown stumpage. It depends upon the quantity, the condition of it, the distance it is, and the costs of salvaging it.

Mr. Chairman: Order, order. Rather than just jumping around from section to section here, do we wish to continue on section 5?

Mr. Martel: I want to go back to the minister's answer, if I might for a moment. Needless to say, the Armson report was pretty devastating. Are you saying that all we lacked—

Mr. T. P. Reid: All of the reports were devastating.

Mr. Martel:—was only 25 bodies and we would have had a vastly different forest out there today from which to start to take off the yield again? Does the minister think it's going to require only 25 people to do the job adequately? If that's all we've needed all of these years, my goodness gracious, we would have found the money for 25 more bodies if he had told us.

I go back to the other point which prompted the minister to leap to his feet in my quest to find out the guarantee: I just thought, and I accept the Premier at his word, that somewhere you would put in this bill that there would be two trees for one. I don't think that's too much, since it was part of the Brampton charter of a guaranteed forest supply. I would hope the minister would be prepared to put that in the bill because that's what the Premier told Ontario it could expect.

If we are going to have the sustained yield necessary—and that's the wording in section 5—surely the government should be prepared to put that in the bill, because none other than the Premier made the statement.

Mr. Chairman: It's just about six o'clock. Will there be further discussion on section 5? Yes? There was a reply to a question on section 4. Is the member for Port Arthur satisfied? We stood down section 4 and I wondered if we could carry it.

Mr. Foulds: I'm sorry, I didn't hear the reply.

Hon. Mr. Auld: It was only below the crown dues depending on the condition of the salvage, the amount of it and the distance from the salvage.

Mr. T. P. Reid: Ten cents.

Mr. Bolan: Ten cents a tree.

Hon. Mr. Auld: I am told we have not gone below 10 cents.

Section 4 agreed to.

On motion by Hon. Mr. Auld, the committee of the whole House reported progress.

The House adjourned at 6:02 p.m.

CONTENTS

Tuesday, November 6, 1979

Dryden pulp and paper operations, statement by Mr. F. S. Miller ... 4243

Ontario Status of Women Council, statement by Mrs. Birch ... 4244

Assessment and tax legislation, statement by Mr. Maeck ... 4244

Adoption legislation, statement by Mr. Norton ... 4245

Ministry-OHC agreement, statement by Mr. Bennett ... 4246

Burning of PCBs, statement by Mr. Parrott ... 4246

Gas and oil prices, questions of Mr. Davis: Mr. Nixon, Mr. Cassidy, Ms. Gigantes ... 4247

Inco emissions, questions of Mr. Parrott: Mr. Nixon, Mr. Cassidy, Mr. Gaunt, Mr. Laughren ... 4249

Physicians opting out of OHIP, questions of Mr. Timbrell: Mr. Cassidy, Mr. Conway, Mr. Roy ... 4251

Hydro boilers, questions of Mr. Welch: Mr. Bradley, Mr. Nixon ... 4253

Dryden pulp and paper operations, questions of Mr. Auld and Mr. F. S. Miller: Mr. Foulds, Mr. T. P. Reid ... 4253

Insider trading, questions of Mr. Drea: Mr. Breithaupt, Mr. T. P. Reid ... 4255

Food prices, questions of Mr. Drea: Mr. Swart ... 4255

Payments to municipalities, questions of Mr. Davis: Mr. Epp ... 4255

Coke-oven emissions, questions of Mr. Elgie: Mr. Mackenzie ... 4256

Employment of women, questions of Mr. Elgie and Mr. Davis: Mr. Mackenzie ... 4256

McDonald Lawrence Seales, questions of Mrs. Birch: Mr. Van Horne ... 4257

French health services, questions of Mr. Davis: Mr. R. F. Johnston ... 4257

Acid rain, question of Mr. Auld: Mr. Conway ... 4257

Point of privilege re Hansard reporters, Mr. Eaton ... 4258

Report, Ontario Status of Women Council, Mrs. Birch ... 4258

Motion re referral of bill, Mr. Wells, agreed to ... 4258

Motion re committee substitutions, Mr. Wells, agreed to ... 4258

Public Commercial Vehicles Amendment Act, Mr. Snow, first reading ... 4258

Child Welfare Amendment Act, Mr. Norton, first reading ... 4259

Assessment Amendment Act, Mr. Maeck, first reading ... 4259

Corporations Tax Amendment Act, Mr. Maeck, first reading ... 4259

Non-Resident Agricultural Land Ownership Registration Act, Mr. Eaton, first reading 4259

South Russell Holdings Limited Act, Mr. Rotenberg, first reading ... 4259

Crown Timber Amendment Act, Bill 77, Mr. Auld, second reading ... 4259

Bill 77, reported ... 4274

Adjournment ... 4280

SPEAKERS IN THIS ISSUE

Auld, Hon. J. A. C.; Minister of Natural Resources (Leeds PC)
Bennett, Hon. C.; Minister of Housing (Ottawa South PC)
Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Bolan, M. (Nipissing L)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Davis, Hon. W. G.; Premier (Brampton PC)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eaton, R. G. (Middlesex PC)
Edighoffer, H.; Deputy Speaker and Chairman (Perth L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Epp, H. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Gaunt, M. (Huron-Bruce L)
Germa, M. C. (Sudbury NDP)
Gigantes, E. (Carleton East NDP)
Haggerty, R. (Erie L)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Mackenzie, R. (Hamilton East NDP)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Pope, Hon. A.; Minister without Portfolio (Cochrane South PC)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Roy, A. J. (Ottawa East L)
Snow, Hon. J. W.; Minister of Transportation and Communications (Oakville PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Van Horne, R. (London North L)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wildman, B. (Algoma NDP)



No. 103

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, November 8, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

THURSDAY, NOVEMBER 8, 1979

The House met at 2 p.m.

Prayers.

STATEMENT BY THE MINISTRY

FUNDING OF HOMES FOR RETARDED CHILDREN

Hon. Mr. Norton: I am pleased to announce that, effective immediately, the Ministry of Community and Social Services is prepared to assume a larger share of the costs of group homes for severely retarded children in the province.

My ministry is committed to assisting in the development of a broad range of services to meet the varying needs of persons who are mentally retarded and the needs of their families. The development of group homes for retarded children who require this type of service has lagged behind those for adults. There are today only 212 residential places in community settings for retarded children, compared with 2,400 for adults. This situation is largely the result of the existing funding regulations.

My ministry has been providing 80 per cent of the cost of establishing and operating these residential services up to this point. The remaining 20 per cent has had to be raised from private sources such as parents, clients, municipalities, charitable donations or fund-raising campaigns.

In recent years the local associations for the mentally retarded and the other voluntary service agencies which run these homes for retarded children have had great difficulty in meeting the 20 per cent requirement on an ongoing basis. In the case of group homes for adults, these agencies have been able to raise the 20 per cent share from the residents themselves, since retarded adults are eligible for income support through my ministry's family benefits program.

In order to provide for more group homes for retarded childen who require this service, we're changing the regulations under the Developmental Services Act to allow these agencies to choose between the existing funding arrangement and a new one. Under the new funding option, the ministry will require the sponsoring agency to raise three per cent of the cost privately and to obtain a further contribution from the child's parents, when the parents have the ability to pay. The required parental contribution will range from $40 to $90 a month and a new, straightforward income test will be used to determine the amount in each case.

The $90 maximum is based on what is considered to be a very moderate view of the normal cost of care of a child. The $40 minimum parallels the total of the family allowance or baby bonus and the child tax credit provided by the federal government. The sponsoring agency will be permitted to reduce the minimum parental contribution in exceptional circumstances, such as when parents are in receipt of social assistance and could not afford to visit their child otherwise.

This sliding scale of parental contribution means that the provincial share of the costs of these group homes will be increased from the present 80 per cent to a range of from 88 per cent to 95 per cent, according to current projections.

This funding approach is designed to do two things: First, to help us more than double the number of group home spaces for retarded children by the end of the 1980-81 fiscal year and, second, to reinforce the principles of parental responsibility for their children and community responsibility for its residents.

This increased subsidy from the Ontario government is intended to help provide at least an additional 350 spaces by the end of the next fiscal year. We estimate the costs of this increased subsidy for the new and existing spaces will be $3.4 million in the 1980-81 fiscal year.

In order to achieve our goal, we will need the continued co-operation of our district working groups that do community planning for improved services for retarded persons as well as the voluntary agencies that act as sponsors. To be successful, we will need—and deserve, in my opinion—the understanding, support and co-operation of municipalities and their residents, who have a clear responsibility not to allow unreasonable zoning restrictions or unfounded fears to interfere with the ability of our fellow citizens who are retarded to live in the community.

Mr. McClellan: You're going to have to do better than that.

Hon. Mr. Norton: It's my personal belief that children who are retarded should, wherever possible, be raised by their parents within a family setting. My ministry, in partnership with concerned community organizations, is continuing to develop the network of support services to ensure that this is a real choice for those parents. The additional financing commitment of the provincial government to community-based services to retarded children is one of our priority initiatives to expand and improve services to children.

We're providing a total of $16 million from this year's budget to pay for these community services to mentally retarded children. These include 38 additional support services to help parents care for their handicapped children at home, including such things as infant stimulation, behaviour management, parent relief and family services.

We recognize, however, that raising a retarded child at home, particularly if the child is severely retarded and/or multiply-handicapped, is not always possible. That is why the ministry is providing additional money for group homes for these severely handicapped children, to ensure that there is an alternative to an institutional setting for those severely retarded children who cannot be maintained at home. In keeping with our existing policy, one half of the spaces added in group homes for retarded children will be reserved for children now residing in facilities for the mentally retarded.

It is my intention in the relatively near future to announce significant initiatives to assist in the further development of enhanced foster care as an alternative for retarded children who cannot be raised in their own home setting.

BARRIE JAIL

Mr. G. Taylor: Mr. Speaker, I rise on a point of personal privilege.

In the Hansard of October 29 the member for High Park-Swansea (Mr. Ziemba) stated, "Mr. Speaker, I am going to talk about the Barrie Jail. I have had a few complaints that I want to put on the record, because the member for the area doesn't seem to want to talk about it."

I would like to set the record straight. I have talked about the Barrie Jail; I brought it to the attention of the then Minister of Correctional Services, the member for Scarborough Centre (Mr. Drea), who put in the portable units. The present minister, the member for London South (Mr. Walker), then went to inspect that jail as his first program. I also spoke at a hearing of the committee that was set up to study ways to relieve the overcrowding in the present jail.

I don't have the same insight into this jail as I was only a guest there, unlike the member for High Park-Swansea, but I have spoken on this matter and intend to continue speaking out.

The member is not accurate in what he said, Mr. Speaker.

ORAL QUESTIONS

DRYDEN PULP AND PAPER OPERATIONS

Mr. S. Smith: I would like to address a question to the Treasurer, Mr. Speaker, with regard to the announcement on the Reed Limited deal and specifically with regard to the government's commitment to accept liability for pollution damage in excess of $15 million.

Since the government was obviously a party to the deal between the Reed paper company and Great Lakes Forest Products Limited—and I might say we are very pleased to see that particular deal go through—can the Treasurer explain why the government would have limited Reed's liability in this way to a mere $7.5 million? Why has the government let Reed off so lightly, when the Treasurer must surely have been aware that the $80 million Reed is receiving from Great Lakes, representing so-called book value, is totally unrealistic? In fact, most of the $80 million is now going to be paid to Reed's preferred shareholders, namely, the Reed International Limited conglomerate with its headquarters in London, England.

Why would the Treasurer not have kept Reed on the hook for more than $7.5 million and let that company transfer perhaps a little less to its shareholders in England?

Hon. F. S. Miller: Mr. Speaker, the sum total of the commitments was what I was concerned about—$15 million. The companies themselves made the decision as to who should pay what. My understanding is that the actions are against Reed; they are not against Great Lakes.

A good many months have elapsed during which a community has been very concerned about its future. The idea that somehow we should enter that marketplace and decide what the two companies should eventually do between themselves I think is wrong. I had one primary objective in those negotiations, one I hope the member shares; that is,

to maintain the employment of almost 1,700 people in a community that has no other employer of note.

After a great deal of consideration and thought, this government decided it had to share in the risk to ensure a future for that community.

Mr. S. Smith: Supplementary: Is it an unwritten part of that deal that Great Lakes might in fact gain access to the very large tract of timber about which Reed and the government of Ontario have had a memorandum of understanding and which served as the beginning of the royal commission on the northern environment? Can the Treasurer assure us that is not an unwritten—or written—part of the deal?

Also, can he tell us what is the status of that memorandum of understanding made between the government of Ontario and the Reed paper company? Does Great Lakes now in some way take over that memorandum of understanding? What is the status of that? Can we be assured there will be no move to give up that acreage to Great Lakes without the royal commission on the northern environment first of all examining the matter in great detail?

Hon. F. S. Miller: Mr. Speaker, I am sorry the honourable leader wasn't here when the statement was made the other day. That question was asked.

There was no commitment between me, as a negotiator for this province on the indemnification, and any other minister involved on those grounds, spoken or unspoken, nor was any condition attached, although I am sure they would have dearly loved to have that kind of condition attached.

The Minister of Natural Resources (Mr. Auld) has answered this—

Hon. Mr. Davis: Have you read the letter?

Hon. F. S. Miller: —in response to a previous question in this House. He said he had entered into no agreement and that any agreement would have to be entered into by him. [2:15]

Mr. Foulds: Supplementary, Mr. Speaker: I wonder if the Treasurer can clear up a point of confusion, and if he cannot, if he would redirect it to the Minister of Natural Resources. Is the memorandum of understanding alive or dead? If it is dead, has he entered into negotiations with Great Lakes Forest Products Limited about any of the portions of the so-called retracted 17,000 square miles in order to find timber for the proposed saw mill?

Hon. Mr. Auld: Mr. Speaker, my understanding of the memorandum of understanding is it exists between the Reed paper company and the province. It is just that—a memorandum of understanding. It is not a commitment, although there are obligations on both sides; if one thing is done, something else would have to flow from it. It is, I assume, an asset of the Reed paper company, as I mentioned on Tuesday, and I assume it is one of the assets—I don't know how you put a value on it—Great Lakes will be acquiring, although I don't have that information.

For the information of the Leader of the Opposition I read the germane parts of a letter which I wrote to the chairman and president of Great Lakes on Monday—it was delivered to him on Monday—indicating the steps that had to be taken before there would be any additional wood supplied for new mills, or in fact, the rebuilt mill, for Great Lakes. I'll be happy to table the whole letter.

Mr. T. P. Reid: If I could go back to the Treasurer: Did the Treasurer extract any kind of agreement, preferably written, from Great Lakes that they would maintain the present work force there? In his statement the other day, he indicated there would be X number of jobs and now some of the press reports seem to indicate that maybe Great Lakes isn't quite as optimistic as he might be, particularly if they don't go ahead with the high-speed newsprint machine.

Hon. F. S. Miller: Mr. Speaker, there was really no inconsistency between the statements in the paper, as reported by Great Lakes employees, and mine, if one analyses them. We said the fine paper operations were "likely to be phased out." The total number of employees involved in that I'm told is somewhere in the range of 400.

We also said the present plans to divert that pulp to kraft would require approximately 200 more employees in the woodlands. That would give a net deficit of 200 jobs, if no other changes took place. I have to say the company did qualify their original comments about phasing out the paper by saying they really couldn't get cost data by observation; they would have better cost data on site. I understood a period of at least three months will elapse while that kind of information is collected. That has been referred to.

At the same time, the next part of my statement said they would be increasing the production through a paper machine as a possibility, and that would take about 125 more men in the plant and between 275 and 300 more people in the woodlands. That would be far more conditional upon the kind

of negotiations that would have to be entered into with the Minister of Natural Resources for furnish.

Mr. Foulds: At the present state of negotiations and with the present firm agreement he has arrived at and that has been arrived at between the two companies, he is telling us, is he not, there is more of a probability of there being a deficit of 200 jobs than a net gain of 200 jobs?

Hon. F. S. Miller: I don't think it's a probability at all. There's a three-month status quo at least, during which time, I am told, the decisions will be taken by Great Lakes, following which the changes will be made. I would suspect negotiations will be going on, not necessarily about the woodlands referred to in the northern commissioner's study area, but in general—rationalizations, the kinds of things every company comes in and discusses with the Ministry of Natural Resources of the day. I've gone through a few of those.

I can only say I am reasonably satisfied that the chance of an extra 200 jobs is excellent at this time, if wood is available.

Mr. S. Smith: The original question, Mr. Speaker, had to do with the $7.5 million liability which is now the limit to which Reed Limited might find itself in some jeopardy. Why would the minister say he was willing to let Ontario go on the hook for every dollar past $15 million on the basis that he was only interested in preserving the jobs there? If there was some need to preserve the jobs, presumably it means the company was considering walking away from the operation. Far from having to walk away from it, they're getting $80 million for it.

This is quite a lot of money ending up in the hands of Lord whoever he is over in England. Why would Ontario be going on the hook for every cent above $15 million? Why didn't he hold out for a much better deal for Ontario and not leave Reed Limited to a mere $7.5 million after their corporate pollution record?

Hon. F. S. Miller: I can understand, after listening to the Leader of the Opposition speak, he has a great understanding of how the business world works. I had hoped that, perhaps, some of the dicussions he may have had would have indicated there was some real risk of losing those jobs. I cannot take the risks with 1,700 jobs that he would take.

SEATON DEVELOPMENT

Mr. S. Smith: I saw the Minister of Housing (Mr. Bennett) here a moment ago. Has he walked out again? I'm not trying to be sarcastic but I thought he was here a second ago.

I'll ask the question of the Premier then. Would he explain why it is that after the experience of his government with the problems in South Cayuga, Townsend, Edwardsburgh and North Pickering now, he would be going ahead with the development of the so-called Seaton community? Oshawa, Whitby and Pickering have plenty of land for development, and services such as schools and churches would not have to be built there from scratch. Why is he having this new experience all over again of starting a new community rather than expanding the existing communities?

Hon. Mr. Davis: Mr. Speaker, I'm not as familiar with all the terminology. Seaton, as I recall it, really is North Pickering. We're talking about the same thing. When the member recites all the other names he is really saying North Pickering, which is now called Seaton.

Mr. Nixon: It was called Cedarwood too.

Hon. Mr. Davis: It's had a variety of names. We might even have called it Nixonville if it had been further to the west, but the latest name is Seaton.

What the ministry and the government are doing is very simple. They are moving ahead in discussions with the regional municipality and with the town of Pickering itself with respect to the potential development of this portion of those lands.

The member will recall—I'm sure he does—that the province has a modest investment in the York Centre sewer. I forget the name of the line. There is a member smiling over there. What's the name of it?

Mr. Stong: The York-Durham sewer.

Hon. Mr. Davis: Yes, the York-Durham sewer. For the edification of the member for Hamilton West, the York-Durham sewer runs across and to the south of the potential development at Seaton.

I recall very vividly how the members opposite, over the years, were encouraging the province to get into land banking and to some area of modest development for housing. The ministry feels very simply that the taxpayers have a reasonably substantial investment in this part. We're anxious to continue to see some encouragement given to development towards eastern Onario, an area the member sometimes visits, and this is one way we can give incentive to that type of growth.

I'm surprised the member for Hamilton West hasn't asked us why we haven't moved

ahead with it sooner. I'm a little surprised he's now saying, by implication, that the province shouldn't move ahead to help stimulate development in that part—put lots on the marketplace to provide additional potential housing accommodation. I can only assume from the question he doesn't feel this should be the appropriate policy, which is fine. I just have to tell him I think he is in error.

Mr. S. Smith: I assume the Premier believes I am in error since he is adopting a policy the opposite of the one I am recommending.

By way of supplementary, since the original plans for that area were linked to the famous airport, I would ask the Premier why is it that his government would allow the existence of the York-Durham sewer to become the main planning instrument in the province of Ontario, which is basically what it has become, and why it would have communities built which will end up using mostly good agricultural land in that area when the airport hasn't gone ahead and is unlikely to go ahead?

Why does the government allow that sewer line to become the main planning instrument in Ontario when there are existing communities which have facilities and could use reasonable expansion? We have been through this before in the South Cayuga experiment and so on. Why are we going ahead with this community simply because it has been on the drawing board since 1972, I guess?

Hon. Mr. Davis: I guess in some respects it has been on the drawing board prior to that time. While there may be a little confusion in the mind of the member, the fact is that the province had made—and we had debated the TCR here in the House—the policy decision to encourage growth east of Metropolitan Toronto, instead of having the bulk of the urban development taking place to the west.

That particular sewer is not the main planning instrument. I say with great respect that I really didn't think the member for Hamilton West would seize upon that as having such great significance. I would just point out that it happens to be close to that particular site. I know the member's interest in sewers. Perhaps that is why he has a problem in his riding, as a matter of fact.

I would go on to say, in terms of development and in terms of being able to put land on the market at relatively reasonable prices, the government has determined that it is going to continue the process of approval through the local municipalities.

As I say, I have been out to the site. There may be some modest amount of agricultural land, but it is not the best agricultural land. The ministry is being very careful in determining the acreage that is to become part of this urban community. We think there is great merit in utilizing the investment made by the taxpayer to get a reasonable return. We think it is relatively good business.

Mr. S. Smith: We disagree.

Mr. Breaugh: I don't want to get caught in that kind of a fight again. As a supplementary, I would like to ask the Premier if it is now his intention, having had the public purse absorb the cost and strain of land acquisition, servicing of the site and developmental costs, to turn the properties over to the private sector so that they might reap the profits from there?

Hon. Mr. Davis: I understand the minister is here who knows far more about this than I do. The Ministry of Housing estimates are there. I think members should all go down and become enlightened on this particular situation.

It is not the intent of the government to turn this over to the private sector. I would hope it would be the ultimate objective of the ministry, once the approvals through the appropriate channels of the local municipality and the region are confirmed and all of the necessary subdivision agreements, et cetera, have been executed, that the policy would be then to have a private sector involvement in terms of the individual builders building the actual housing accommodation.

I see no rationale for the Ministry of Housing becoming the prime contractor in actual individual housing construction, but I do see the ministry becoming involved in getting the plan of subdivision in place; that is, with lots that are registered. We have no intent of selling off, say, 200 acres to developer A and another 200 to developer C. That would really be in contradiction to some of the things we have been attempting to do, which the New Democratic Party, incidentally, used to support and perhaps still does.

DRYDEN PULP AND PAPER OPERATIONS

Mr. Foulds: Mr. Speaker, I would like to return to the Treasurer for a moment for some clarification on the agreement between Reed Limited and Great Lakes Forest Products Limited.

As the government has now become, in effect, a third party in accepting liability for any damages awarded to claimants above $15 million that may arise because of pollution in the English-Wabigoon River system, why is it the government did not consult with Mr.

Justice Patrick Hartt, the Indian commissioner of Ontario, who has mercury pollution as one of his specific mandates?

[2:30]

Hon. F. S. Miller: Mr. Speaker, I don't quite follow the implications of that question. We were simply dealing with the contingent liability, the unknown liabilities being assumed by a purchaser, which may result from potential cases and awards that gave to the potential purchaser a totally unknown quantity. We knew the courts would deal with these matters fairly.

We knew, based upon the Dow cases, the courts would have a difficult time necessarily attaching responsibility, but because there was an element of risk which a prudent purchaser really wasn't willing to take, and because there were other, let us say, social benefits to the province of Ontario to be gained by becoming a party to that risk, we simply assessed our own risks and felt it was far better for the province to enter into that agreement to eliminate the concerns and fears of a community that was really, in effect, held in jeopardy while those unassessable risks existed.

Mr. Foulds: Supplementary: While we can sympathize and agree with the move that has been made to solidify an agreement and to solidify the economy of the Dryden area, it puzzles me that in this question of liability the government did not consult with the commissioner, Patrick Hartt, as part of the tripartite process this government established, in view of the fact one of the treaties, I think it is Treaty No. 3, has filed, although it is not yet processed, a potential liability of $25 million, which would be above the $15 million figure.

Hon. F. S. Miller: Again, the courts will have to assess each case and I think that is the best place to leave it. The simple fact is, with that kind of potential problem, I think the member, as a purchaser or owner of some of the shares of that company, would have had a concern. I don't mean to imply he was a shareholder. I hope he was. It would be in keeping with his philosophy. But surely, then, we had the responsibility to take that action to make the deal possible.

Mr. Kerrio: Supplementary: Did it ever occur to the minister, or was it ever discussed, that the purchase could have been made of the assets of the company and Reed could have been left with the purchase price and the responsibility as it relates to the polluting? It is within the realm of possibility that in the best interests of everyone concerned, the buyer would have the assets and continue with the jobs and the plant, and the people who polluted in the first place would have the money and they would have to sustain all the lawsuits? Did that never enter your mind?

Hon. F. S. Miller: Of course that entered my mind, vacant though it may be. The Leader of the Opposition must be an expert on vacant minds. That is perhaps why he turned to politics.

Mr. S. Smith: It is a fact that the Treasurer and I the other day exchanged ideas and, as a consequence, my mind is vacant.

Hon. Mr. Davis: Do you mean you had only one idea to give?

Hon. F. S. Miller: Never mind. It's cheaper to have him here than on OHIP.

Hon. Mr. Davis: And better for your patients.

Mr. S. Smith: Don't rub it in.

Hon. F. S. Miller: Of course that occurred to me. I happened to have thought of it myself. Whether the member knows it or not, the law on this kind of liability appears to be in a very formative or perhaps fluid stage. There were lawyers who argued that even the purchase of assets could have attached to it responsibility. Since they could not get a legal opinion to say that would not happen, then we were required as a guarantor.

Mr. Renwick: By way of a supplementary question, since the law is in such a fluid state, would the Treasurer consult with the Attorney General (Mr. McMurtry) about introducing legislation which will ensure the protection of the rights of all persons, other than the two companies that are involved in this transaction, particularly the rights of the communities of native peoples at Grassy Narrows and Whitedog?

Hon. F. S. Miller: Hopefully, one of the reasons why I can count on the honourable member's support is that he would trust the province of Ontario as a guarantor in this case, perhaps more than the others. Again, I have observed the wisdom of the honourable member's comments many times—I'm not being facetious at all in this case—and when he suggests I should talk to my colleague the Attorney General on a legal point, I am quite quick to do so, just as I was the other day when he offered some other advice.

ART GALLERY OF ONTARIO

Mr. Foulds: I have a question for the Minister of Labour. In view of the unprecedented success of the King Tut exhibition at the Art Gallery of Ontario and the revenues

accruing thereto; and in view of the outstanding amount of funding provided to that institution by the taxpayers of this province through the Ministry of Culture and Recreation; will the Minister of Labour instruct that institution, its board and its officers, to bargain in good faith with the Ontario Public Service Employees' Union local, now that the Art Gallery of Ontario has been found guilty of five charges of unfair labour practices by the Ontario Labour Relations Board?

Mr. Renwick: Instruct them to adhere to the law of the province.

Mr. Kerrio: Did they find a union contract in the tomb?

Hon. Mr. Elgie: Speaking of the tomb, as one who hasn't seen the tomb contents, the member well knows that the Labour Relations Board did indeed deal with this matter and kept unto itself the issue of good bargaining and so forth and intends to deal with that after further representation.

Mr. Mackenzie: Supplementary: Will the minister not show some affirmative action now by providing for immediate certification of employees in cases such as the art gallery, given the clear example of gross interference of the rights of workers to organize and bargain? Does this further example of a flouting of the labour laws in the province of Ontario not convince the minister of the need to bring before this House legislation dealing with first agreements and union security to return some respect and trust to the Ontario Labour Relations Act, given the number of incidents such as this one in the province today?

Hon. Mr. Elgie: I think we have a very good Labour Relations Act in this province and that has been verified by the fact that the board has clearly stated its view about the activities that took place during the organizing stages.

It is also reaffirmed by the fact that the board has said it is still seized of that subject and will deal with it after representations have been obtained.

With regard to the second part of the honourable member's question, I have answered that before, I have indicated that the matters he raised are matters that are being discussed, and the results of those deliberations will be known.

Mr. T. P. Reid: Does the minister not agree that since a union has to go through the process of applying to the Ontario Labour Relations Board and have X number of cards and a percentage more than 50 per cent already signed up, that indicates that the majority of the workers there want the union? Should that not be sufficient to indicate to the government that those people have the right, and want to form a union and should be allowed to do so, and that we should at least have minimum legislation in the province to guarantee that union's existence?

Hon. Mr. Elgie: With regard to that particular issue, I would hope the member would agree that the act does indeed say that if 55 per cent of the employees have signed cards, then there is a certified bargaining unit. However, it does also give the right to challenge any of the individuals who claim they have not signed those cards in good faith. Surely the Labour Relations Act can't go beyond that.

INSIDER TRADING

Hon. Mr. Drea: Mr. Speaker, on Tuesday the member for Kitchener (Mr. Breithaupt) asked me to comment on what he called insider trading in the shares of Reed Limited. His question tied into the statement by the Treasurer (Mr. F. S. Miller) in respect of Reed's sale of its Dryden mill to Great Lakes Forest Products.

Trading in Reed has been fairly steady over the last few months. In August, the trading range was roughly $7.5 to $11; in September, $10.5 to $10.7. In October, along with all other industrials, the market in Reed declined and its shares traded down to $9. On October 30, the Globe and Mail carried the company's announcement of a significant turnaround in its profit picture for the nine months ended September 30, 1979. Compared with a net loss of $3.4 million a year earlier, the company showed a profit of $27.9 million for the nine-month period. The market reacted predictably and on November 5 the stock set a three-year high of $11⅜.

As to matters covered in the Treasurer's statement on Tuesday, the company made confidential disclosure to the Ontario Securities Commission late the previous afternoon. Beginning Tuesday morning, the commission and the Toronto Stock Exchange closely monitored trading in both Reed and Great Lakes. The commission made advance arrangements with the Toronto and Montreal stock exchanges to halt trading in both Reed and Great Lakes to give the market an opportunity to digest the investment impact of the transaction.

As I mentioned on Tuesday, trading was halted within moments of the Treasurer's statement. The possibility of insider trading on a basis of undisclosed information is always present, although Reed's nine-month

profit figures are themselves a probable explanation of the recent price increase. The commission and the Toronto Stock Exchange are reviewing all recent trades in Reed and Great Lakes, both in Toronto and Montreal.

The member for Rainy River (Mr. T. P. Reid) asked me on Tuesday about front-running trading and exchange-listed options. That problem is totally separate and distinct from Reed and Great Lakes. Options are not available on shares of either company. The front-running trading problem has been around for some while and is being addressed by the authorities in the self-regulatory bodies both in Canada and in the United States.

ACID RAIN

Mr. Conway: I would like to return to the Minister of Natural Resources on the question of the acid rain threat to Algonquin Provincial Park. Having the benefit of the minister's preliminary response to my question on Tuesday, I am concerned in that in his response there is no clear indication whatsoever that his ministry, in its responsibilities for that principal provincial park, has undertaken any specific analysis or study to ascertain the exact nature and extent of the impact of this insidious environmental threat upon that specific Algonquin Provincial Park. Is that a proper assumption? Is it the case that this ministry and this government have at this late date done nothing with specific regard to ascertaining the nature of the threat to Algonquin Provincial Park?

Hon. Mr. Auld: Mr. Speaker, I will be delighted to get the complete report on the work that has been done, that is contemplated and the results we have had to date. I think perhaps those things will be tabled in the House.

Mr. Conway: Supplementary: Recognizing what we are now being told by a number of experts in the scientific community that this environmental hazard threatens not only the water systems—and I pointed out the other day that Algonquin is the headwaters for most of our eastern Ontario river systems—and recognizing as well the tourism and forests impact related to the question, does the minister not agree that he has a leadership responsibility to discharge in this connection? The time has long since passed when the minister can simply suggest tabling of information is an adequate response from this government to such an important resource in this province in the late 1970s.

Hon. Mr. Auld: I think it must be very clear to the honourable member that a great many lakes, in fact all of the lakes in Ontario, are important to the province, some perhaps more economically or socially important because of their convenience to centres of population. While I am particularly concerned about the lakes in or adjacent to our provincial parks, I am also aware of the hundreds or thousands of others which are still used by the public.

GAS AND OIL SUPPLIES

Ms. Gigantes: I have a question for the Minister of Energy. I would like to ask him, now the National Energy Board has released a section of its monthly survey of petroleum products that relates to total Canadian supplies, why doesn't the minister instruct his ministry to release that section of the survey that relates to the Ontario region and the associated forecast of demand for that region?

[2:45]

Hon. Mr. Welch: Mr. Speaker, the honourable member will recall she raised this issue some time ago in the House. During the exchange in answering that question, I indicated I had certain information from the National Energy Board to which conditions were attached with respect to its general circulation.

When I had the opportunity to review it a little more carefully, I saw no reason why it shouldn't be available, in order that the honourable member could make some further objective judgements herself on the basis of this. So last October 18 I wrote to my federal colleague to indicate to him I would hope they would make some of this information available, knowing there was some need to have some explanation of the figures. If they were taken without some type of explanation, they might lead to misinterpretation.

It was my understanding that the honourable member did talk to an official of the National Energy Board yesterday, and I instructed one of my officials to speak with the honourable member today, to share with her whatever information we had and to be helpful with respect to some explanations. Hopefully, now she has some of this information upon which she can make her own judgement with respect to the assessment of the present situation.

Ms. Gigantes: The minister knows that the commitment by the energy board is a very limited one, and it doesn't meet my request.

Is the minister aware of a statement quoted in the Toronto Star, attributed to Donald Macdonald, the former Minister of Energy, Mines and Resources at the federal level,

that he always felt uneasy about the information being provided by the oil companies —that he wonders to this day if he was getting the right information? Can he tell us whether he has received an assessment, either formally or informally, from ministry staff, concerning the usefulness of the National Energy Board survey figures and whether they are a good tool for government planning or merely a way of the oil companies softening us up for price increases?

Hon. Mr. Welch: If I can divide the question up, number one, I am not aware of the comments of the former Minister of Energy, Mines and Resources. Certainly on the basis of the information I have, we rely very much on the information collected by the National Energy Board.

In addition to the overall national figures, we have some regional data upon which we can make certain judgements. But suffice it to say at this stage, in addition to our reliance on that source, and confirmed by statements by the Prime Minister of Canada and by the present incumbent of the federal Department of Energy, Mines and Resources office, the board's assessment quite simply is that sufficient oil for the winter of 1979-80 will be available from Canadian crude oil supplies, foreign oil imports and some drawdown of inventory.

They go on to say that periodic meetings between officials of the National Energy Board and the Department of Energy, Mines and Resources and provincial representatives will continue to be held to review the short-term outlook for oil products. The most recent of these, as the honourable member knows, was November 1. The consensus at that meeting was again that the prospect for the winter remained tight, but manageable.

Mr. Sargent: Supplementary: In view of the fact the Socreds in Ottawa didn't trust Mr. Clark regarding this, so they made a deal with him on the side, and in view of the fact in the eastern states all of them have emergency plans already in place, why is the minister dragging his feet here?

Hon. Mr. Welch: It would come as no surprise to the honourable member that I wouldn't be privy to any arrangements that may or may not have been made in connection with certain votes in the House of Commons. But as well, I don't think this minister has been dragging his feet. He has been very open, and indeed has attempted to be very helpful with respect to any questions directed to him on the subject.

McDONALD LAWRENCE SEALES

Hon. Mr. Timbrell: Mr. Speaker, on November 6 the member for London North (Mr. Van Horne) posed questions to the Provincial Secretary for Social Development (Mrs. Birch) with regard to a report carried out by psychiatrists fom the University of Western Ontario on the release of a patient from London Psychiatric Hospital.

The honourable member asked whether the report would be released and, if the details of the report could not be released, he asked whether I would indicate whether or not any of the recommendations in it would be followed. Finally, he asked whether, in view of the report, there would be any need to amend Bill 19, An Act to amend the Mental Health Act.

Due to the confidential nature of the subject about the patient, I do not believe it is appropriate to release the report. However, I will speak to the recommendations.

There were only two recommendations. The first states: "That further research be encouraged to find better ways of predicting dangerousness than are presently available. This would be of use, not only in predicting dangerousness in persons suffering from mental illness, but also could be invaluable in the areas of crime and correction, for example, in weighing the need for incarceration and in deciding suitability for parole."

As you are aware, sir, the predicting of dangerousness by psychiatrists is extremely difficult. We are willing to consider any proposal for research that would address this particular issue. In fact, it is a subject of considerable study throughout the world.

The second recommendation suggests that consideration be given to a record being kept centrally of all admissions and discharges to mental health facilities and of all patients who are absent without leave from such facilities. My ministry advisers have expressed serious reservations to me regarding the establishment of a central registry which would single out specifically those who are suffering, or who have suffered from a psychiatric illness, since this could be considered to be discriminatory.

Further, my staff inform me that from the standpoint of confidentiality of patient records, there may be significant disadvantages to a centralized registration system. However, as the member is aware we are awaiting the report of the Honourable Mr. Justice Krever on the subject of the confidentiality of medical records. Once we have Mr. Justice Krever's report we will give this particular matter further consideration at that time.

Finally, Mr. Speaker, the report states that amendments to the Mental Health Act—which were passed in this House last year—have no bearing whatsoever on this particular incident, therefore, no amendments would be required in light of what has transpired.

Mr. Van Horne: Do I understand then that the minister is not going to take any action specifically related to those recommendations about people recognizing danger signals exhibited by mentally ill patients until the Krever commission report comes down? Is he not going to do anything until that report comes down in spite of comments made by the psychiatric team or by people such as Professor Greenland, the associate professor of psychiatry from McMaster who, at the same time, made similar suggestions?

Hon. Mr. Timbrell: Mr. Speaker, I think, with respect, the member perhaps is mixing up the two recommendations and the responses to them.

The first had to do with the question of research and we are certainly prepared—either through the money which we flow to the Clarke Institute of Psychiatry, to the Mental Health Foundation or through research proposals which come directly to the ministry—to consider the funding of any proposal into the question of the predicting of dangerousness because it is inevitably going to be helpful, not only to the psychiatric care of the population, but in other areas, as is mentioned in the excerpt I quoted. We are prepared to do that any time.

On the second point of a central registry, a great deal of reservation has been expressed with respect to confidentiality of records and the problems to do with the names and addresses of patients. Many of our patients of course don't have permanent addresses. For example—and no disrespect intended—Smith, S., may be admitted to North Bay Psychiatric Hospital. They might have 27 of them and that could lead to particular problems.

Mr. S. Smith: But it could be fantasy, fantasy.

Hon. Mr. Timbrell: I didn't give the middle initial. What is it—"L"? The member will understand that we will hold that in abeyance until we do have the report of Mr. Justice Krever. But we will take it into consideration again at that time.

LOTTERIES

Mr. G. Taylor: Mr. Speaker, a question of the Minister of Culture and Recreation. Some two months ago I wrote to him concerning what would be taking place with the present Loto Canada distributors after the Ontario government takes over the operation of Loto Canada. Will he be taking the money and running or be looking for jobs for these people who would be displaced by the taking over of Loto Canada?

Hon. Mr. Baetz: The Ontario Lottery Corporation has for several weeks now been looking at the arrangement to take place after the cessation of Loto Canada operations at the end of December. In all likelihood, the vast majority of the distributors and dealers, who are now engaged in Loto Canada, will be terminating their work, and the volume of work will be brought over to the distributors and retailers now engaged in Wintario, the Provincial and Lottario.

There is in all of this a very real saving. Whereas the volume of sales will obviously be going up as they assume the sale of Loto Canada tickets, the per unit commission will be reduced substantially, thereby maintaining their profit at about the present level, but having the very desirable effect of vastly increasing the revenue flowing into the provincial treasuries across the country.

We think this happens to be an excellent and efficient arrangement. As a matter of fact, this was one of the reasons we wished to streamline the four lotteries in this country.

Mr. Bradley: Supplementary, Mr. Speaker: Does the minister mean the savings that will be incurred as a result of this will permit him to unfreeze the freeze on the capital grants? Or is the minister saving this for the election campaign?

Hon. Mr. Baetz: I hadn't really thought about saving it for the election campaign; but that might be a good idea.

As I reported to this House some weeks ago, we are still engaged in the examination of the capital program, the new priorities. In the fullness of time—

Mr. O'Neil: You sound like the Premier.

Hon. Mr. Baetz: —we will reinstitute the capital program.

Mr. Eakins: In the fullness of time, 1980 or 1981?

Hon. Mr. Baetz: I would like to remind the members of this House that I think they are very much aware individually that when we announced the freeze, effective January 1, 1979, we made it very clear that on any of those applications that were under way, and for which the fund-raising had already taken place, with the planning of the project well advanced, we were not going to ring down the curtain in the midst of all of that. We have allowed these applications to be processed, and to be paid.

I think that was an excellent move. I have not really heard any screams from any of the projects, and I am sure this can be confirmed by any member of this House. I have not had any complaints that anybody was caught halfway across the river, as it were, and had a Wintario program suddenly dropped.

Having done that, obviously the volume has continued to flow. This is one reason we may take a few months longer to reopen the capital program, but we frankly feel we have acted in the best interests of the many projects across the province.

PSYCHOLOGICAL TESTING

Mr. Sweeney: I have a question for the Minister of Education, Mr. Speaker. What is the normal procedure followed by the Ministry of Education when a parent reports what he believes to be a violation of section 12(2) of the regulations, with respect to written parental consent being required, prior to administering a psychological test?

Hon. Miss Stephenson: It was my understanding that when a parent asks that that be investigated, I proceed to investigate it. The individual in question, I think, asked for that kind of investigation, and that is what I have initated. Does that answer the member's question?

[3:00]

Mr. Sweeney: Given that the minister obviously recognized the incident in question, which has been defined by a member of the ministry's legal staff and, I understand, also by the deputy minister, as having in fact violated that section; and given that the testing material is produced by the Psychological Corporation, and is administered by a psychologist, then surely the kinds of response the parent is getting are not adequate. Would she not agree with saying to parents, "If you don't want the test, write," as opposed to what your legislation clearly says which is, "Permission must be given in writing prior to the administration of the test"?

Hon. Miss Stephenson: If indeed there is lack of clarity in that legislation, I will be very willing to investigate that and to try to modify it.

BED UTILIZATION STUDY

Mr. Cooke: Mr. Speaker, I have a question of the Minister of Health concerning the bed utilization study conducted by the Essex County District Health Council.

Is the minister aware that the study indicated 26 per cent of the residents in nursing homes did not belong there and should be in rest homes, and 58 per cent of the residents in chronic-care beds should be in nursing homes? Does this not clearly indicate the system is backed up, and the reason it is backing up is because the minister did not put alternatives in place before he closed the active-treatment beds? Does it not also indicate that what is needed is standards and inspection of rest homes in Ontario in order for that alternative to be brought up to a proper standard?

Hon. Mr. Timbrell: Mr. Speaker, I think it would be bridging beyond belief to go from what the member just said and arrive at that conclusion, but that is because he started with the conclusion and looked for something to substantiate it.

Regarding the bed utilization study, I have not seen it yet, although I am aware it is under review either by a committee of the district health council or is it at the health council now.

Mr. McClellan: Explain it away, Dennis. It needs to be explained away.

Hon. Mr. Timbrell: Either way, it will get to the ministry, I would expect, within the next couple of months. We will have their recommendations as to what additional chronic-care and/or extended-care beds are needed in the county to meet actual needs now and for the foreseeable future.

Mr. Cooke: Supplementary: While the minister might think I've come to the wrong conclusions, maybe I'll read recommendation four from this report, which comes to the same conclusion I did. Does the minister agree with recommendation four, which states: "It is recommended that consideration be given to regulation of rest homes in order to provide reimbursement, monitoring arrangements for the care provided and standardized alternatives to homes for the aged and nursing-home care."

Does the minister agree with that, or is he going to continue to say residents who are in rest homes don't need care, as he did in the debate on the resolution of the member for Parkdale (Mr. Dukszta)?

Hon. Mr. Timbrell: Mr. Speaker, I've said consistently that we in the provincial government, in the Ministry of Health and in the Ministry of Community and Social Services, have specific responsibilities for those people who are in a continuing-care situation. We have responsibility for the establishment of standards and the inspection with regard to those standards. We do not have responsibility—the municipalities do—for standards to

do with property standards bylaws and with residential standards for people who are not in a continuing-care situation.

I'm not sure, from what the member is reporting—since I have not seen it—but the member knows once the health council has completed its review of whatever report is prepared for it—and it has the right to add to or delete any recommendation that comes from a task force or a subcommittee—and once I've got its report, that will be public, as will the response to it.

Mr. Mancini: Why does the minister feel he has to wait for the district health council report to state chronic-care patients should not be in active-care beds? Why does he just not make a policy statement that chronic-care patients will not take up active-care beds and then go about setting policy and making moneys available so these people may be placed in proper facilities—therefore, giving them the best care and allowing the ministry to get the most for its money?

Hon. Mr. Timbrell: Mr. Speaker, I would invite the honourable member to dig into his files and find his copy of the statement I made on February 7, 1978. If he hasn't got a copy, I'll get him one. That was the statement dealing with the changes in the various bed ratios. It pointed out that where, in fact, there is a need, an ongoing need for additional chronic-care and/or extended-care facilities over and above the active-treatment bed facilities—the 3.5 or four beds per thousand, depending upon whether we are talking about south or north—the need will be met. The question is, how do you identify what needs to be met?

We are committed to involving local people, through the district health councils, in analysing what needs there are. As an example of an area that has already been addressed, I would point to the Ottawa-Carleton region, where the health council identified the needs immediately—"immediately" being over the next two or three years —for 150 more chronic-care beds over and above those which are there now and over and above the active-treatment bed complement.

Based on their report, some time ago I approved the conversion of the Ottawa General Hospital once the new Ottawa General Hospital opens, probably next summer or fall. That's an example of how the process works. Where the need is identified, I'm quite prepared to find ways to meet those needs.

VISIT OF U.S. PRESIDENT

Hon. Mr. Wells: Mr. Speaker, on Tuesday the member for Riverdale (Mr. Renwick) asked me some questions concerning the forthcoming visit to Ottawa of the President of the United States. I notice the member is not here, but perhaps since the visit begins tomorrow I could indicate to him and to you, sir, having reviewed the itinerary, the visit is much as was reported in the paper this morning. A large part of it is ceremonial and formal functions. There are, however, three to four hours of discussions.

The government of Ontario was consulted about the topics that will be discussed at the meetings that are held. Basically, they are in the energy and environmental fields. We feel the position of this government on the various matters that will be discussed is well known to the federal ministers who will be sitting down at those discussions.

Mr. di Santo: Supplementary: Since the Prime Minister said yesterday that apart from his meetings with the President there would be several meetings with other ministers and their counterparts, has the government of Ontario made any presentation vis-à-vis the auto pact and the increasing deficit in the auto parts which will approach $4 billion and result in a substantial loss of jobs in Ontario?

Hon. Mr. Wells: It's my understanding that the auto pact and discussions on it were not on the list of items that I saw which were going to be discussed.

Mr. di Santo: That's not what the Prime Minister said yesterday.

Hon. Mr. Wells: I want to make it very clear to the member that this is a meeting between the President of the United States and the Prime Minister and the cabinet of Canada. There is a very short period of time for official discussions. It's not intended to be a formal period of discussion of all the problems and grievances between the two countries, but I think it will serve as a starting point for a lot of discussion to continue between both the federal and federal-provincial representatives and our American friends in a variety of areas.

ASSISTANCE TO SMALL BUSINESS

Mr. McKessock: I have a question of the Minister of Industry and Tourism. Has there been any small business development corporation set up under the Small Business Development Corporations Act, and if so, how many?

Hon. Mr. Grossman: The last figure I had is that 11 have been incorporated.

Mr. McKessock: Supplementary: Can small business now apply for money under the Small Business Development Corporations Act, and at what interest rate?

Hon. Mr. Grossman: My field staff have recently been given enough information so that they may now act as marriage brokers, as it were, between the private sector and the SBDCs; that is, the people looking for venture capital and the SBDCs. There are now 11 of them which have funds available. Of course, whatever the arrangement for the interest rate is will be negotiated between the two of them.

The important thing is we're not just letting it lie out there and see if they happen to marry. I have implemented all of my field staff to try and pull these people together. One of the main things we're trying to accomplish is to ensure that because the majority of the SBDCs have been incorporated in the large urban centres such as Toronto that doesn't lock out people in some of the other centres throughout the province who need access to those funds.

So my field staff in all areas of the province are aware of the existence of the SBDCs in Toronto and are pulling together from those other areas to Toronto.

Mr. McKessock: The main thing is the interest rate.

LABOUR RELATIONS

Ms. Bryden: I have a question of the Minister of Labour. This morning I visited the Radio Shack plant in Barrie and met with employees of that company, and of Blue Cross in Don Mills. I would like to ask the minister if he is not aware that a stalemate has been reached in these distressing strikes because of the refusal of these companies to consider any kind of union security. Does he not agree he could probably bring these strikes to an end if he would follow the example of Quebec and Manitoba and make it mandatory for companies to grant this basic democratic right to unions?

Hon. Mr. Elgie: Mr. Speaker, I am well aware of some of the problems that separate the parties in those two and in other issues. I have clearly stated on other occasions, and the Premier (Mr. Davis) stated earlier this week, that it is a matter he is aware of and that we are aware of and it is under consideration. As the Premier said, there will be no commitments with regard to any action at the present time, but it is certainly under review.

BARRIE JAIL

Mr. Ziemba: Mr. Speaker, on a point of privilege, I understand the member for Simcoe Centre (Mr. G. Taylor) took issue with some comments I made about the Barrie jail. Since he has no firsthand knowledge of the Barrie jail, I think we can conclude that his observations were only hearsay.

Mr. Speaker: Order. That is not a point of privilege and the honourable member knows it. That is an abuse.

REPORTS

STANDING STATUTORY INSTRUMENTS COMMITTEE

Mr. Williams from the standing statutory instruments committee presented the committee's second report and moved its adoption.

On motion by Mr. Williams, the debate was adjourned.

STANDING GENERAL GOVERNMENT COMMITTEE

Mr. McCaffrey from the standing general government committee presented the following report and moved its adoption:

Your committee begs to report the following bill with certain amendments:

Bill Pr19, An Act respecting the City of Cornwall.

Report adopted.

STANDING SOCIAL DEVELOPMENT COMMITTEE

Mr. Kerrio from the standing social development committee reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Community and Social Services be granted to Her Majesty for the fiscal year ending March 31, 1980:

Ministry administration program, $19,391,-300; adult services, $971,610,000; children's services program, $327,078,000.

MOTION

COMMITTEE MEETINGS

Hon. Mr. Wells moved that on Thursday, November 15, the standing administration of justice committee be authorized to meet in the evening instead of the afternoon and that the standing resources development committee be authorized to meet in the afternoon instead of the evening.

Motion agreed to.

INTRODUCTION OF BILLS

REMEMBRANCE DAY ACT

Mr. Sterling moved first reading of Bill 167, An Act to declare Remembrance Day as a Holiday for Veterans.

Motion agreed to.

Mr. Sterling: Mr. Speaker, the purpose of this bill is to provide a holiday for Ontario veterans who served in the Canadian or allied armed forces in combat capacity. The underlying principle of the bill is not just to provide another holiday. Rather, its intention is to reflect the original spirit of Remembrance Day. The bill honours only the comrades of those who lost their lives fighting for our country.

[3:15]

In keeping with that principle, a paid holiday will be given only on November 11 and only if Remembrance Day falls on a regular working day for that veteran. This bill will also alleviate the inconsistent and unfortunate situation which now allows some employees in our province who may or may not have served in the armed forces a paid holiday, but does not allow a holiday for a veteran who has served his country in combat.

In presenting this bill, I realize it is unlikely the House will be able to discuss it before prorogation.

Mr. Speaker: Is this a speech or a brief explanation of the principle of the bill?

Mr. Sterling: It is just a brief explanation of the principle.

Mr. Speaker: It is a little bit more than brief.

Mr. Sterling: I hope the introduction of this bill will serve the purpose of focusing attention on this issue, creating public discussion and eventually legislative action in this forum.

HEALTH INSURANCE AMENDMENT ACT

Mr. Lawlor moved first reading of Bill 168, An Act to amend the Health Insurance Amendment Act, 1979.

Motion agreed to.

Mr. Lawlor: A brief statement or explanatory note: The purpose of the bill is to limit the amount a physician or practitioner who bills the patient directly may charge for performing insured services under the act. The amount charged by a physician or a practitioner in these circumstances shall not exceed the amount payable by the plan for the insured services.

The bill prohibits the physician or practitioner from requiring payment of an account before the patient has had an opportunity to submit the account to the general manager for assessment.

Where the patient does pay the account early and the general manager subsequently determines that the amount payable by the plan is less than the amount paid by the patient, the physician or practitioner is under a duty to reimburse the patient for the overpayment.

The bill also sets out grounds for professional misconduct on the part of the physician or practitioner who contravenes the provisions of the bill.

HEALTH INSURANCE AMENDMENT ACT

Mr. Breaugh moved first reading of Bill 169, An Act to amend the Health Insurance Amendment Act, 1972.

Motion agreed to.

Mr. Breaugh: The purpose of this bill is to implement an intention announced last spring to provide services at approved rates and situations where care is provided in a publicly funded building using publicly funded equipment and supported by publicly funded technical and nursing staff.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: I wish to table the answers to questions 321, 324 and 329, and the interim answer to question 327 standing on the Notice Paper. (See appendix, page 4325.)

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

CHILDREN'S RIGHTS ACT

Mr. McClellan moved second reading of Bill 102, An Act to declare the Rights of Children in Ontario.

Mr. McClellan: I would like to reserve five minutes for rebuttal, if I may, Mr. Speaker.

It is with a great deal of pleasure that I rise to speak in favour of Bill 102, An Act to declare the Rights of Children in Ontario. I would say at the outset that my colleagues and I regard this, hopefully, as a major, significant and meaningful contribution by our party, and I hope by the whole Legislature, to the International Year of the Child.

The original idea for a bill of rights for children comes from the British Columbia Royal Commission on Family and Children's Law in its fifth report on children's rights.

The House will recall that that royal commission was chaired by Mr. Justice Thomas Berger. My bill is based almost in total on the recommendations of that royal commission headed by Mr. Justice Berger.

I do want to point out, however, that the first call for a bill of rights for children in Ontario was not made by myself, but in fact was made by the Associate Deputy Minister of the Ministry of Community and Social Services, Judge George Thomson. I quote from the Toronto Daily Star report of his comments. "Ontario should draw up a bill of rights to protect its children, according to the man now overhauling the province's child welfare system."

Judge Thomson was right on, I say to the minister; he ought to listen to the very sage advice of his associate deputy minister.

Turning back for a moment to the recommendations of the Royal Commission on Family and Children's Law, upon which my bill is based, I want to go through the recommendations of that royal commission very briefly.

First, the recommendation by the Berger commission was that new legislation should contain a statement of 12 rights of children which are universally applicable, practicable and enforceable. The declaration of rights in Bill 102 is taken almost verbatim from the suggested formulation for a bill of rights in that royal commission's first report, part III.

The second recommendation of the Berger commission is as follows: "The primary responsibility to meet children's rights should rest with the parents or guardians. A secondary responsibility should fall to the government which should offer supportive services for children and respond to the request of parents. If the government is the legal guardian of the child it should have the full responsibility to fulfil the rights of the child."

Again, that is precisely the set of relationships set out in Bill 102. I say to members of this House that the bill before them is as much a bill of rights for families as it is for children. It is both implicit in the bill that the proper place for children is in families and that the primary responsibility to fulfil the rights of children rests with the family, with the child's own parents. The bill places an onus of legal responsibility, or legal obligation, upon the government to provide services to support families in fulfilling their primary responsibilities towards children.

The onus of obligation in the bill, as I say, is on the government. I want to make one thing very precise and clear. There is no burden on any family under this bill to accept services from government. Section 4 of Bill 102 specifically states: "A parent may refuse to participate in or accept services provided by the government of Ontario for a child under section 3, unless a court determines that a child is in need of protection under the Child Welfare Act."

This is not protection legislation, this is not a substitute for the Child Welfare Act, and therefore there is no possibility of compulsory or non-voluntary intervention by the community into the affairs of the family. No such right can be granted to government under this kind of legislation. Under a bill of rights it is totally inappropriate, and of course I haven't done it.

As I said, the onus is upon the government to provide services to families solely and exclusively at the request of families in order to assist families to care properly for their children. When the Attorney General (Mr. McMurtry) says that a bill of rights would tear families apart, that is a complete red herring. That is not contemplated under the bill, and it is not something that could happen if and when the bill was passed and enacted into law.

The bill provides a remedy for the enforcement of the 12 rights set out in section 2, and that means of enforcement is by judicial declaration on application to the court. I want to make it clear what we mean by enforcement. The best thing I can do is read briefly from a statement by Mr. Justice Berger, as part of an article that appeared in Perceptions and was reprinted in the Toronto Star in August:

"The law can offer a substantial measure of protection to the family and to children by the guarantees of due process which are being developed for the child and his parents in child welfare cases, in custody cases and in juvenile cases, but the law cannot guarantee the delivery of services to a whole category of children. Where the provision of such services is dependent on the availability of funds, it must in the final analysis be the responsibility of those elected to govern to determine what the priorities ought to be.

"Although it is true that such rights cannot always be enforced, they are rights the family itself and those institutions established by the state to defend the interest of the child ought to be in a position to assert. If modern notions of the rights of all chidlren are established by statute and suitably elaborated so as to apply to special children, then such a statute can stand as a yardstick against which the provision of services to children can be measured.

In recommending the remedy of judicial declaration, I am adopting the third recom-

mendation of the Berger commission that the primary legal remedy for the enforcement of children's rights be the judicial declaration. But it is important to understand that what we are talking about is not establishing some third party with the power of compulsion over elected officials. We are talking about an independent community standard; an independent yardstick for measuring the adequacy of the community's behaviour and performance with respect to individual children; that is what we mean by judicial declaration.

There will be a moral obligation upon all of us, as legislators and as government, when a court makes its judicial declaration that a particular child has rights which are not being met by virtue of the failure of the government to provide support services.

Certainly the court will not be able to compel governments to spend money to provide services. The accountability will be, if I may, a political accountability rather than a direct legal mandate from the court to government; that's not how our parliamentary system works and I am not attemping to do anything that violates the traditions of parliamentary government, but I think it is essential that there be an independent means of establishing community standards with respect to children's rights. That is what this bill tries to do.

I have had the unusual benefit of having read the minister's speech before he delivers it. Those are the hazards of reading speeches in the Legislature in the first place. The minister intends to say that the declaration of rights is very vague and unspecific. I can understand why this government would be apprehensive about a bill of rights, although I don't understand how any of the 12 rights enumerated could for a moment be described as vague. What is vague about the statement that it is hereby recognized and declared that every child resident in Ontario is entitled to the right to an education which will ensure every child the opportunity to reach and exercise his or her full potential?

Is that vague, Mr. Speaker, to one of the 180 retarded children who live in homes for special care—children who have been assessed as being able to benefit from education, as having the potential to benefit from education, yet despite the fact those 180 children have been assessed as being able to benefit from education only 36 of them are actually in special education programs?

[3:30]

I ask you, Mr. Speaker, is the right conveyed in that section vague to one of those children? Is the section on educational rights vague to one of the 200 blind, deaf or deaf-blind children who live in schedule two institutions for the mentally retarded in this province; one of those 200 blind, deaf or deaf-blind children for whom there are no special programs whatsoever, for whom this ministry has failed, after five years of so-called normal community living programs for the mentally retarded, even to do an individual assessment on one of those children?

The minister will argue that these rights are vague, or the minister will argue that we don't need these kinds of rights promulgated in statute in this province. Yet there are 200 children who haven't had their basic rights to an education even acknowledged through an assessment by the ministry, let alone through the development of adequate programs.

What about the 36 visually-impaired residents who were identified in 1975—these were children, I believe; 36 children who were identified in 1975 by Professor Cyril Greenland, living in the old Ontario Hospital schools for the mentally retarded—the so-called schedule one facilities; who were found by Professor Greenland in 1975 to be suitable for care in the community, ready to leave institutional incarceration and return back to their communities, where they could live in adequate community accommodation, supported by adequate programs? We learned that only 12 of those 36 children have been released from custodial incarceration by this ministry in the intervening four years. I expect that the minister will rise in his place and say, "These rights are vague and these rights are not necessary. We are looking after everything, and everything is all right." But there are too many children in this province who are not all right; who shouldn't have to simply depend totally and exclusively on the vagaries, if I may say so respectfully, of government; who shouldn't just have to depend on the accomplishment, or to suffer for the failure of government, without some kind of redress.

So I ask the members of the assembly, through the chair, to allow this to come to a vote and to pass this bill. Let us send it out to committee, where we can have full public hearings and public discussion and see if we can't come up with something significant for our children in this International Year of the Child.

Hon. Mr. Norton: I want to rise to speak to this bill. First of all, I would like to commend the honourable member for what I know to be a sincere commitment and motivation that has given rise to the introduction

of this bill at this time. If it were simply a matter of endorsing the concept of the protection of the rights of children I am sure there would be no problem with a unanimous vote on this bill in the House this afternoon.

However, I think it is important to bear in mind a number of things. In the discussion of children's rights over the last several years there has been a good deal of confusion over the precise meaning of the rights of children and the best way of protecting those rights. The discussion has made it very clear that children's rights is a difficult and complex area for legislative reform.

The staff of my ministry have been engaged in exploring this area as part of their work in the development of the omnibus legislation, which the honourable members know we have embarked upon and which will be a single and a comprehensive children's services statute for this province. After a very careful review of Bill 102, it appears that although the goal the honourable member has in mind is a laudable one, the bill itself does not reflect an adequate consideration of many difficult issues, therefore it will be very difficult for us to support it on that basis. I would like to address some of those issues as briefly as I can in the time allotted.

First of all, I think we must ask what form children's rights legislation should take. Bill 102 is a separate bill of rights for children, a bill which stands on its own. Another approach which might be considered is to incorporate the rights into broad comprehensive children's legislation. Both of these approaches are being considered at the present time by my ministry in the development of the omnibus legislation which will subsequently be going forward for public discussion by the members of the legislative committees.

It's noteworthy, I think, that Bill 102, as the honourable member has indicated, is quite clearly based on the fifth report of the Berger commission in British Columbia. Although the member has selected some very significant quotations, there is one quotation from page five of that report which he has failed to quote.

Mr. McClellan: I wanted to leave you something for your speech.

Hon. Mr. Norton: He has failed to quote this quotation from the Berger commission: "We suggest that the rights of children must be practicable. They must be acceptable within our framework of justice. They must also be capable of being implemented through the services of parents or the government. Following these guidelines we believe that children's rights should not be enacted as a separate bill of rights. The rights should form an integral part of new legislation which covers a broad range of services to children."

That is precisely one of the avenues being explored by my ministry at the present time.

Mr. McClellan: You haven't done it yet.

Hon. Mr. Norton: The member knows the time frame within which we are working in terms of the omnibus legislation, he's known that ever since we embarked upon this.

As noted earlier, this integrated approach is being considered by the ministry. Here are three different ways of integrating children's rights into omnibus legislation.

First, as a preamble to the legislation that would be a statement of underlying legislative purpose and philosophy. It would assist in the development and the interpretation of more specific provisions throughout the legislation and it would thus help to ensure that the goal of protecting children's rights is actually achieved.

Second, a statement of children's rights as separate part of the legislation is a possibility. That approach is the approach that has already been taken in Quebec's Youth Protection Act.

Third, these might be integrated as specific rights throughout the new legislation. That approach is basically an extension of the ministry's recent work on children's rights. Many specific children's rights are included or reflected in recent changes to children's services legislation in this province.

Examples of this are the child's right to legal representation under section 20 of the Child Welfare Act; the child's right to consent or refuse consent to care by agreement with the children's aid society; the child's right to be present at child protection hearings; the child's right to initiate court reviews and to have status under the Child Welfare Act; the list of children's rights which formed the basis of the standards for residential care of children; the strict limits and the residential standards restricting the use of force and lockable facilities or units; the rest of the residential program standards which ensure all children in care receive high quality service; and the best interests test in the Child Welfare Act which requires the court to consider many factors such as the child's need for continuity before making an order.

In addition, the major project on advocacy for children is nearing completion. The various advocacy mechanisms being developed will protect children's rights throughout the children's services system of this province.

The second issue I would like to address briefly is this: regardless of the Legislative form used to protect children's rights, what rights should be included? Many of the rights included in Bill 102 are basically of the nature of moral or social goals.

Mr. McClellan: No, they are not.

Hon. Mr. Norton: There is no question they are important goals which are essential to the wellbeing of both children and adults. For example, the access to adequate food, clothing, housing, health care and education can greatly affect a person's development. However, because these matters are basically social goals, some children's rights experts—and I would cite Michael Wald, professor of law at Stanford University, as one—have concluded they should be addressed by a legislature not by a court. In enacting broad social goals as rights, the Legislature would be turning over these important questions of policy to courts to determine, or potentially so.

As the honourable member has indicated, many of the rights in Bill 102 are general and vague, and in fact their meaning is unclear. Even if they could be clearly defined it may be impossible to enforce them. For example, what is "adequate play and recreation"? What facilities are required to provide adequate play and recreation? How is it determined what a child's full potential is?

Mr. McClellan: What does "All men are created equal" mean?

Hon. Mr. Norton: There are thousands of decisions affecting a child's life. Many of them are small decisions, but how can we possibly create, "A meaningful and enforceable right for the child to have his or her opinions heard and to be included to the greatest extent possible, when any decisions are being made affecting his or her life," to quote from the bill?

For example, if parents decide to move from one city to another and fail to ask their child for his opinion, has a right been denied in that failure? If so, how can such a right be enforced?

When has the right to parental guidance been denied? If the denial has not resulted in the child being in need of protection, why should the matter go to a court?

These broad and vague rights in Bill 102 would require the court to make very broad, discretionary and highly subjective judgements about the quality of the child's life. Many of the rights in Bill 102 are covered by existing law and therefore do not require new legislation. They might, as I suggest, be included in subsequent omnibus legislation.

For example, "The right to an environment free from physical abuse, exploitation and degrading treatment," is adequately covered by the Child Welfare Act and the Criminal Code at the present time. "The right to reside with parents and siblings, except where it is in the best interests of the child for the child to reside elsewhere," is the legal principle which is at present applied in both child protection and custody proceedings.

"The right to legal assistance in relation to all decisions affecting guardianship, custody or determination of status where it is desirable to protect the interests of the child," also seems unnecessary. Although the meaning of "determination of status" is unclear, it appears this right to legal representation is covered by the Child Welfare Act already, and the law governing custody disputes.

"The right to necessary health care"; if a person or agency responsible for a child does not allow the necessary health care to be provided the child is in need of protection and the court may order that the health care be provided under present provisions.

In short, sir, the broad issues of social policy involved in children's rights legislation should be addressed by the Legislatures and not the courts. The rights themselves should be clear and precise in their meaning, and the rights should add to, not duplicate, existing children's legal rights.

Mr. McClellan: They do, precisely—

Hon. Mr. Norton: The third issue: how should children's rights be enforced? Mr. Speaker, it must be questioned whether it is desirable to allow application by a child against his or her parents to proceed in the court, in basically an adversarial forum. The general rule, as reflected in the Child Welfare Act, is that a court should not intervene in the parent-child relationship unless there are grounds to find the child is in need of protection.

There may be exceptions to this general rule, but we should be very cautious about expanding the possibilities for parents being exposed to judicial scrutiny in the inherently threatening atmosphere of a courtroom. Given the vague definition of rights in Bill 102, the potential for threatening scrutiny is there, and it would be an enormous one, I suggest, to families in this province.

Mr. Deputy Speaker: The honourable minister's time has expired.

Hon. Mr. Norton: I shall wind up very briefly then, and suggest, on the basis of some of these considerations and further ones I wish I had been able to get on the record

this afternoon, that it is going to be very difficult for us to support this bill; not in terms of the intent that I know motivated the honourable member to introduce it but in terms of the very basic weaknesses in the bill as it is structured; and the fact that I would suggest to the honourable member that, even though it was recommended as a model in the Berger commission report, the Berger commission report recommended that it not be proceeded with in this way.

[3:45]

Mr. Blundy: I rise to speak on Bill 102 and express support for the principles within the bill, and the principles which prompted the bill.

I think the member has thought very carefully about this and is most concerned with the rights of children. People may ask are not these principles governing children's rights now in force, already affecting the rights of children in Ontario? The answer to that question might be twofold. They certainly are to a very great extent laid down through other pieces of legislation passed by this House, as has been pointed out in the remarks of the honourable minister; but I believe it is important now to lay down clearly and unequivocally, in a bill of this nature, the rights of children.

In the past the family unit has been and was known as a strong institution. When I was a child it certainly was that. It was a home in which the children were raised with both a mother and a father, often with a grandmother or some other relative as well. Times have changed, of course, and social situations have changed. We see now that this unit of the family which we knew in days gone by is not now so clearly defined. It does not have nearly the same assistance in raising and protecting children.

I believe the rights of the family and the rights of all children are all known to most of us, but it is important now, at this time, that we lay them out and clearly define them, as the bill does.

I know there are probably parts of the bill or phrases in the bill that might not be quite appropriate in the eyes of the government, but I believe it is a bill that can be supported. I would like to see the bill supported in this first reading and go to committee. There it could be studied, and refined if necessary, to bring forth a bill of rights we could live with for years to come.

There are now many children whose rights are in question. In these situations it is important to define the part to be played by government in the protection of children's rights, as well as clearly define the rights of parents and the rights of the child.

I support the laudable principles of this bill. I would ask that the bill be given consideration and sent to committee. I know many people will say it isn't necessary, but I say the problems we face today, and the rather vague situations behind the problems, suggest that a bill of rights in this year of the child, to clearly define children's rights in Ontario, is a step in the right direction, and one to which I would like to have some input. I certainly support this bill.

Mr. R. F. Johnston: It is my pleasure to be a seconder of this motion by the member for Bellwoods (Mr. McClellan). I obviously welcome this bill.

This is the International Year of the Child, and in my view the government has been inactive during this year of the child and has been spurred to action in the last few days because this bill was coming up. It has been derelict in its duties.

Hon. Mr. Norton: Oh, come on now.

Mr. Martel: What have you done?

Mr. R. F. Johnston: Thomas Berger did some work on this; the United Nations has come up with a similar list of basic rights. These are not just platitudes, they are essential rights.

I'm not going to pick out a number of very obviously handicapped children, as the member for Bellwoods did, to show that this government is not looking after the rights of children. I'm going to talk about its basic inability to deal with the socio-economic causes of deprivation in this province.

Hon. Mr. Norton: Why doesn't the member address the principle of the bill? That's what this section deals with.

Mr. Martel: That is the principle of the bill.

Mr. R. F. Johnston: The principle of the bill I would like to talk about is the right to an education which will ensure every child the opportunity to reach and exercise his or her full potential.

In my view, at this time there are thousands of children in this province who are being deprived of the same potential a person such as I had coming from the middle class. They are deprived of the ability to succeed, as much as being a member of parliament is a success.

Hon. Mr. Norton: And this bill, as it is structured, would not remedy one single incident of the kinds of abuses the member may be referring to.

Mr. R. F. Johnston: Thank you for the interjection.

Hon. Mr. Norton: It doesn't do a thing.

Mr. Deputy Speaker: Order. The member for Scarborough West has the floor.

Mr. R. F. Johnston: It would state a principle which I think this government has obviously forgotten and which needs to be restated. The government shouldn't back away from stating it again.

Hon. Mr. Norton: I'm not backing away from stating it at all. We've been doing it more effectively than this bill is.

Mr. R. F. Johnston: If this is effective, then I want the minister to go to Regent Park with me, and see the children down there who know they're not going to get any better than a grade nine or grade 10 education. They know they're going to end up in dishwashing kinds of jobs and are not going to make it to this honourable chamber.

Hon. Mr. Norton: This bill is not going to change that.

Mr. R. F. Johnston: I would ask the minister to let me speak; he had his shot at this, let me have a go at it.

I'm saying, the government has not succeeded. The minister should take this opportunity to accept this bill as a restatement of his government's conviction that all children, no matter what economic level they might be in, should have the same rights as others. This is his opportunity to jump in and agree with this.

Hon. Mr. Norton: Of course that's our conviction, but this bill doesn't do anything to correct it.

Mr. R. F. Johnston: If it's the minister's conviction there are other things the government can do as well.

Mr. Deputy Speaker: Order.

Mr. R. F. Johnston: Sixty per cent of the children who go to Park Public School in Regent Park know they are not going to get past grade 10. We know that; that's been the case for three decades.

Hon. Mr. Norton: A declaration from the court is not going to change that. What they need is something more substantial.

Mr. Deputy Speaker: Order.

Mr. R. F. Johnston: Thank you, Mr. Speaker, I appreciate your interjection.

I just have to draw the comparison between Park collegiate, where 50 per cent of the kids don't go past grade 10, and Forest Hill Collegiate Institute, in which only one child has been streamed into those lower one, two or three vocational levels in secondary school. That student only lasted three to four weeks before his parents were able to get him a better opportunity. The children in Regent Park, in the Jane-Finch corridor and in parts of my riding are being deprived of that ability because of the lack of action. The government could be taking that action if its members believed in the principle of equal access to education.

There is another group that also agrees with that, it's not just the statement of the member for Bellwoods. I quote from the Ontario Welfare Council's statement: "Children have the right to learn and to receive an education commensurate with their learning ability and the needs of society. All children should have the right to develop adequate skills to allow them to become productive members of the community. The community, therefore, must develop educational policies and programs which ensure that all children receive an appropriate education."

That's an obvious extrapolation from the member's bill which is before us.

One of the areas members opposite miss out on as a government, in my view, is not recognizing that children come from environments which leave them with certain kinds of handicaps as far as stimulative learning abilities go. It is important to get the children very early. I condemn the minister and his government for their lack of commitment to infant day care.

Hon. Mr. Norton: We're doing a better job than anybody else in this country.

Mr. R. F. Johnston: That's not good enough, sir.

Hon. Mr. Norton: We're still doing a better job. We're doing better than Saskatchewan.

Mr. Deputy Speaker: Order. Will the honourable member address his comments to the chair?

Mr. R. F. Johnston: That's much better, thank you. The Speaker is so much more reasonable.

Mr. McClellan: The minister is frothing at the mouth. He's raving like some crazed lunatic.

Mr. R. F. Johnston: I'm fascinated, Mr. Speaker, by the defensiveness of the minister as I, a junior member, raise my attack.

The Ontario Welfare Council raises this point in terms of stimulation: "Children who do not receive proper stimulation from infancy are less likely to achieve their full potential." There are many studies throughout the western world which have proved that. If you have infant day care, if you have infant stimulation, you can find child abuse earlier,

you can help a child overcome learning disabilities earlier.

There wasn't one teacher I met at Park school the other day who didn't tell me that once they get these kids they play catch-up. They do it all the time. They may be able to bring in special learning classes, they may be able to bring in English-as-a-second-language classes; but they try to catch up. In the five- or six-year period they have these kids in a public school setting they do not have time to bring them to the level they need to get into the high school system; the same level someone like myself from a middle class background gets. They're saying they need to get that intervention earlier.

It is my view that this government has not taken that seriously. It has not taken the need for day care seriously either. Yesterday, during estimates, I asked the Minister of Community and Social Services what was his commitment to day care, what would he see us doing as a social function. He wasn't able to give me an answer. He hasn't made up his mind he told me.

Hon. Mr. Norton: Oh, come on, now. Read it back from Hansard if you can't remember what I said.

Mr. R. F. Johnston: Read it to me now.

Hon. Mr. Norton: Just be honest.

Mr. R. F. Johnston: He told me that he wasn't convinced and he quoted some quack although he didn't mention his name, as saying that in fact day care was more harmful than supportive, which is just ridiculous. In view of that I would like to read a portion of a letter from one of my constituents who is using day care and who wrote to ask me to pressure the minister for increased day-care facilities.

"Children, especially since this is the International Year of the Child, need access to stimulating, culturally-enriching and educational environments. The day-care centres deserve to be supported and improved. They don't need to be decided upon by budgetary constraints only." The latter is what the minister told us yesterday during consideration of his estimates, that was how he decided we needed 700 rather than several thousand new places.

Hon. Mr. Norton: That is, again, an absolutely incorrect statement.

Mr. Deputy Speaker: Order.

Mr. R. F. Johnston: Another area in which this province has fallen down is the need for all-day kindergartens. The Minister of Education (Miss Stephenson) is not here, regrettably. She has continually said she is not committed to this kind of a process. Again, all the teachers at Park school, and all the people who are involved in inner-city administration, say that kind of program is absolutely essential if these kids are going to get the same kind of shot at life as people such as myself have had.

I would like to conclude by saying that the government can be as defensive as it wants to be on this bill, but there are 12 basic rights that have been outlined here. They all deserve to be discussed in committee. They all deserve to be looked at in great detail by every member of this House, because the rights of children in this province are not, as we might presume because we're so wealthy, being well handled.

It's not just a matter of a few odd cases of people who are being left out. There are thousands and thousands of children, and because of that I think it's worth further discussion.

If the minister would pay attention perhaps—now that he has stopped heckling me he is debating with the member for Sudbury (Mr. Germa)—I'd appreciate it.

My last statement is that this bill deserves our full attention. If nothing else it should go to committee for us to show, as a House, that we are concerned about this. I believe there are people in this province who don't believe this government, in fact this House, is concerned about the poor and the underprivileged kids in this province. I think the least we can do is send this bill to committee.

Mr. Sterling: Mr. Speaker, I would like to enter this debate by first of all congratulating the member for Bellwoods for bringing forth this topic which has been of interest for some period of time. It's also of interest to note that most of us are first, by our hearts, guided to support the bill; but I'm afraid that when one thinks about the principles and the structure of this bill we have to look at it in another light.

I think there is no doubt about the commitment of our government and our members to the needs and the rights of children. I consider it a privilege to be in a position to advance these rights as an MPP and as parliamentary assistant to the Attorney General (Mr. McMurtry). Children's rights, however, will not be resolved by this debate, nor in my view by this bill of rights for children. I will explain my reasons for saying this.

First of all, in examining what is a bill of rights, it is really a declaration of fundamental elements of justice in our society. The demand for a bill of rights is really a demand

for justice and fair treatment. What is not clear to me is how this children's bill of rights can achieve that which is essentially an ethical standard. In fact, no other jurisdiction has been able to meet the issues of what should be in the contents of a bill of rights and how it should operate. Regardless of its good intentions, this children's bill of rights will not effect the transformation of personal and social values.

[4:00]

What is of importance to children's rights is specific laws and procedures which are themselves fair and just. When there is general commitment to observe and respect them, then will substantial progress be made in recognizing the rights of children.

Many of the rights enumerated in this bill, and most of the rights enumerated in this bill, are in fact protected by current legislation or provided through many government programs. Let me name some. First of all, parents have a legal duty to provide the necessities of life to a child under 16 years of age. It is a crime to fail to provide these necessities. Children have many civil remedies for support under many statutes, most of which have been incorporated in the Family Law Reform Act.

Although there are some specific prohibitions, there is no general prohibition against children working, so long as they maintain their school attendance. Students are protected by minimum wage laws. In Ontario, a child has a right to retain his own earnings.

Mr. Martel: What? Say that again?

Mr. McClellan: Say that again with a smile on your face.

Mr. Martel: They are excluded.

Mr. Sterling: Children can make binding contracts for necessities. Children are protected from criminal assaults by their parents, except that a parent may use reasonable force in correcting a child. Children are protected against incest and other sexual acts by adults. Children have a right to be compensated under the Compensation for Victims of Crime Act if they are victims of their parents' violence.

Children have a right not to be neglected by their parents, according to the grounds set out in the Child Welfare Act. Children cannot be committed to training schools by their parents for being uncontrollable. Children have the right to bring civil proceedings against their parents. Children over the age of seven have the right to be heard at adoption proceedings. As a result of the Children's Law Reform Act children have the right to equal status, irrespective of whether they were born in or outside the marriage.

Children can receive separate legal representation. Last year, the Ministry of the Attorney General expended close to $1 million to provide representation for children in child abuse and child welfare cases. The ministry is presently considering the possibility of supplying legal representation for children in custody cases.

Having outlined some of the rights which children are entitled to, indicating the obvious support of the Ontario government of children's rights, then one must ask: why object to this bill? One of the major problems relates to the structure of the bill. It basically gives the family courts the power to issue a declaration on the government's responsibility to children.

Mr. McClellan: You really hate that independent judgement on your performance.

Mr. Sterling: In my view that runs against the fundamental principles of a parliamentary democracy in this province.

Mr. McClellan: Yeah, sure. You are just afraid of anybody casting judgement on you.

Mr. Sterling: No court has, nor should it have, the right to take away the policy-making function of the government of Ontario. On the other hand, if we accept the fact that the court declaration is not binding, or is not intended to be binding on the government, the bill does little more than turn the courts into a vehicle for publicity against parents and the government.

Mr. McClellan: Oh, what rubbish.

Mr. Sterling: Enforceability is a fundamental problem in this bill of rights. That a child should be able to take his parents to court to obtain a judicial declaration of his entitlement to one or more of 12 enumerated rights is of dubious value, even though the judicial declaration itself would not be enforceable.

No solutions will be found in establishing new grounds for legal proceedings between children and their parents. When we have just reached the stage of enlightenment where we realize the immense social costs involved in the adversarial resolution of interspousal disputes, we must not take the retrograde step of setting child against parent and parent against child in the courtroom.

Mr. McClellan: Here we have the McMurtryism.

Mr. Sterling: Furthermore, this bill would directly involve the government in many aspects of the relationship between the par-

ent and the child. I have to say that I am more than uneasy about such a significant state intervention into the family.

Mr. McClellan: Voluntary, voluntary, voluntary, voluntary.

Mr. Sterling: That is not so. That is not so, if you read the bill.

Mr. McClellan: I wrote the bill, brother.

Mr. Sterling: You didn't read the bill.

Mr. McClellan: I wrote it.

Mr. Sterling: The Berger commission wrote the bill, which the NDP government never adopted in British Columbia, although they were in power.

Mr. McClellan: I wrote it in longhand.

Mr. Sterling: The unforeseen implications of this intervention could be very unfortunate, and in my view they could be ultimately disastrous.

One of the more convincing arguments against the creation of a children's bill of rights was presented by the Canadian Council on Children and Youth, an independent study group. After three years of study it issued its report in 1978. Its conclusion realistically pointed out:

"We want to move to a more practical perspective. A future goal may well be the formal codification of children's rights. For now we are faced with the complex prior task of coming to a realistic understanding of the social context within which such a code could exist. Thus we would instead advocate the revision of existing social policy and legislation to state positive minimum standards of care."

Its summary was that a children's bill of rights was premature at this time. I wish to emphasize that under the concerned guidance of the Ministry of Community and Social Services that is exactly what the Ontario government is presently doing.

I also think it is important that there are different methods of approach to this problem. Other options that may be considered would be a children's ombudsman or an administrative tribunal. Other administrative mechanisms may be more effective—

Mr. McClellan: Let's discuss this in committee.

Mr. Sterling: —than courts in achieving the goal of protecting children's rights.

All of these options are being considered by the Ministry of Community and Social Services and will be discussed in the omnibus children's legislation.

In summary, I wish to say that I do support the sentiment of the bill's preface, that children are Ontario's greatest resource; but I feel this bill has significant negative impact. It has more negative impact than positive. The bill could intrude into the family situation unnecessarily. It also establishes the court as a social making body. That is totally inconsistent with our system of parliamentary democracy and I question whether in practical terms—

Mr. McClellan: What is a social making body?

Mr. Sterling: —that procedure would ever work.

Mr. Acting Speaker: The honourable member's time has expired.

Mr. Sterling: For those reasons, along with the open-ended expenditures this legislation could create, I cannot support it.

Mr. Stong: I rise in support of Bill 102. In so far as the bill is, as entitled and introduced by the member for Bellwoods, an act to declare the rights of children in Ontario, it warrants the support, in my respectful submission, of this House.

The items set out in Bill 102 are not by any means comprehensive. In fact I would like to address my few remarks to what is contained in the bill, but perhaps also to what ought to be contained in the bill.

Section 2 is probably the operative section of the bill. As section 2 is a codification of existing statute declarations and common law court decisions which interpret those sections, we can refer to and see familiar phrases in the Criminal Code, sections 197 and 201, and in section 33 of the Juvenile Delinquents Act. In section 16 of the Family Law Reform Act as well there is certain terminology used in this bill that is already in existence in that legislation.

I might also refer to section 2(f), which refers to the right to an education. This member now has before this House a private member's bill, Bill 70, that is awaiting debate in this hour, which would guarantee the right of an education to every child. As we know, a child has a right to attend school but certainly not a right to obtain an education in Ontario.

This bill, in so far as it goes, is worthy of support, but the bill does not address itsself to the very basic rights of children. For instance, every child in this province has a right to the emotional security of a home environment. Every child has a right to benefit by, grow with and mature under the influence of loving and caring parents. Every child has the right to be happy and every child has a right to live. But those rights could never be incorporated in legislation be-

cause it is impossible to legislate common sense into people. It is impossible to legislate disease out of existence; likewise it is impossible to legislate those very basic and inalienable rights of children into legislation.

The rights of children are inextricably bound with the concept of the family unit. There can be no rights without corresponding obligations. The rights of children must necessarily be founded in duties and obligations of parents towards their offspring. Perhaps it is with some significance that maybe 1980 will be termed the year of the family, following closely upon the heels of the year of the child.

It is impossible, as I have indicated to this House in my respectful submission, to provide that legislation which would guarantee a loving and caring family atmosphere, which is probably the most basic and inalienable right of every child. I respect the frustration of the member for Bellwoods in bringing forward this legislation as he perceived the situation out in our communities. It is based, as he has indicated, upon the Berger royal commission; and the Berger royal commission recognized, as he indicated, the primary responsibility of the family towards the child. Where the primary responsibility of the family breaks down, it then becomes a secondary responsibility of the government to provide the support to which a child has a right.

The year before I got into politics, as a lawyer practising in private practice I was involved with family, juvenile and criminal practice. In that year of 1974 I kept statistics. These statistics prove nothing, I quote them for proof of nothing other than an experience I would share with the House in speaking to the principle of this bill.

In that year I represented 184 young people before the courts charged with various offences, and 182 of those young people came into my office and subsequently went through the court system without the benefit of any dominant male figure. There was no father or male figure in sight in 182 of the 184 cases. Only two of those children came through our court system with a father or a dominant male figure present to influence and to guide.

It is probably that fact alone that urged me to recognize that our laws fail. Although we pretend as legislators to pass laws that affect morality, as I have heard it expressed in this House, and affect customs and mores, that type of legislation is weak, that type of legislation has no teeth.

It is rather incumbent upon us as legislators, in my respectful submission, to be visible in the community, to recognize dedication and to commend commitment where we see it; commitment to the family concept and commitment to the dedication of one person to another. The abrogation of the inherent rights of children results directly from the breakdown of the family unit. It seems to me that where couples, for instance, have lived together and tried together for 60 years, they ought to be commended with more than a simple plaque from the government. Perhaps they could have some kind of a recognition by a personal attendance at such functions by members of the government.

[4:15]

It seems to me that in speaking to the principle of this bill we must take into account that we do owe a responsibility, as members of this House, to the community at large; a responsibility that transcends simple debate; a responsibility that transcends legislating, the drafting of legislation, because no legislation can be so comprehensive to cover all of the aspects of life, and particularly in the area of children's rights and children's human rights.

Perhaps I can end up my brief remarks by alluding to the conclusions arrived at by a doctor whose thesis I had the privilege to read, and who answered his critics by saying in reference to his own family life, when he was asked what he would change if he had a chance to do it again he said: "In retrospect, if I had my life to live over again, the best I could have done for my children would have been to love their mother more."

I think that speaks loads, and we could never legislate that type of attitude into existence, in no way.

I commend the member for Bellwoods and what he has done by bringing forth a bill that declares the rights of children, but I say to him that the bill doesn't go far enough. It ought to go to committee so that it can be added to and improved upon. In principle I do support his effort and I support Bill 102 on second reading.

Mr. Renwick: I believe I have about 10 minutes, on my calculation. I do hope I have that length of time, because there are three or four matters to which I would like to address my remarks.

I am sorry the member for Carleton-Grenville (Mr. Sterling) and the member for Kingston and the Islands (Mr. Norton) are not here—undoubtedly they will read this debate and ponder on it at some point in the future—but I am pleased that the Provincial

Secretary for Social Development (Mrs. Birch) is in the chamber.

I want to just step back a little bit and try to say something about one or two of the many threads that are involved in the bill which is presented by my colleague, the member for Bellwoods. I think there is a very real problem in trying to put into perspective what my colleague is trying to say, and I heard the member for Carleton-Grenville comment about this question, perhaps an ombudsman and perhaps some other method of dealing with it.

Mr. Speaker, you have been in this House long enough to know that we have wrestled with this problem of the rights of people, let alone the rights of children, for a very long time, and the solutions which have been adopted in this chamber have been, first of all, elaborate provisions in all sorts of statutes with respect to due process, fair hearings, natural justice, all of those tenets, and we have adopted those procedures on many occasions now throughout many, many bills.

Then, after considerable public and internal pressure in the House, we adopted the second way in which people conceived that their rights as against the state can be dealt with, and that is by the appointment of an ombudsman.

This assembly, and this government particularly, have always shied away from the third area in which people can be seen to have their positions publicly protected in their relations with their fellow citizens and in their relations with the state, and that is the conception of the rights of people. We stayed away from a bill of rights. I happen to believe that it is a necessary part of completing the tripod that some day we must move to a bill of rights for citizens to companion the Bill of Rights which was passed by the federal Parliament.

But to say all of those things speaks very much to the vacuum surrounding children, and I suppose the reason we are concerned about children is because they are considered to be persons who are not capable on their own of formulating the kind of judgements which are required to make decisions respecting themselves as persons in varying degrees, depending upon their age; and secondly, that there is an element of helplessness with respect to a child in its confrontations with the various institutions of society, including its own family, that there is that element of helplessness about it.

The fact of the matter is that there's no due process in this province with respect to children's rights. It is quite true there was a narrow step forward made with respect to part II of the Child Welfare Act, which I understand may very well be proclaimed at the end of this year, which will provide for a method for the court to determine representation. Leaving that question aside, there was very little protection about the law of the person relating to the child; that's how far back we are.

We don't have any ombudsman. We don't have any bill of rights. One can search the statutes of the province and the procedures in the courts and there is little due process about individual protection of the child in respect of his person. There has always been ample protection with respect to an infant's property. There has always been ample protection for a child with respect to his liability for torts. There are separate and distinct procedures with respect to the relationship of the child to the standards of society set out in the Criminal Code and in the Juvenile Delinquents Act, but when one is actually talking about the law of persons, that is the integrity and dignity of the individual, there is nothing of any great significance, other than something called an inbred moral sense related to the family.

My colleague's bill, in fact, is part of a very long progression from the time when the power of the father in the family was immense; in Roman times, for example, even under the ameliorations of that system, and pervasive throughout Western Europe from which many of our traditions come and therefore pervasive in North America. In fact the legislative assemblies and the courts dealt only with the father of the family, the male head of the family. All of the other relationships were dealt with in the remnants of the family situation, the patria potestas of Roman law in the same sense which we have here.

My colleague's bill is a step in that very long progression. What it has meant, of course, is that we have moved over time from questions of imprinting upon people the category that they have a status which is a disabling status in our society, be it the woman, child or slave in the society. All of those various persons who somehow or other are disabled in the eyes of the law had very little protection.

My colleague has been very anxious to do two things. He has been anxious to provide some statement of rights in two or three fields, that is the right to the services of the state to the child in substitution for or through the mediation of his parents to be able to get the kind of services from the state to which we in our mesh of social legislation tried to say he was entitled. But we have been niggardly in saying to him: "Not

only are we providing these services, but you, the recipient, have a right to get them." He has been saying that and he has been speaking also about this vexed question of due process and how it is to be done.

What I say to the member for Carleton-Grenville—and I admire my colleague for the way in which the bill has been drafted—is that the bill is not ordering the government to do anything. My colleague is providing that the courts of this province can make a declaration respecting the correlative duty which the bill would impose upon the government of this province to respond to the right of the child. It is a declaration. It would be up to the government to determine whether it was going to comply with that declaration by the courts. It would be up to this assembly, in the light of whatever public pressure was required, to determine whether or not it would see to it that the government of the day, through the democratic process if necessary, was going to adhere to that declaration of duty and responsibility.

I do not, and I call upon the member for Carleton-Grenville not to, introduce this division of separation of the powers of society the way that Montesquieu did. If ever there was a false theory, it's that conception that one can divide the judiciary from the legislative process.

I agree that our theory of government does not permit the courts to order the government to do a particular act in the field of policy. I disagree with the proposition that an independent court protecting the rights of individual people should not have the power to make the declaration that the government should be required to perform its duty and its responsibility.

I simply have this rather strange sensation that somehow or other the member for Carleton-Grenville was, in fact, saying in his remarks to this House, "No, I want to leave it still to the family. Somehow this is an intrusion on the family." My colleague has accomplished that dual purpose. He has left it to be the responsibility of the family, and the right of the family to intervene with the state to get the performance by the government of its duty to provide the services to which the child at this present time has no right.

But he is saying more than that. He is saying that the child, in the absence of the parent, will have a right to get the delivery of those services to him, and a process by which those rights will be delivered.

I thought a fascinating statement was made by my colleague the member for York Centre (Mr. Stong) that in the interface between children in the society and the criminal law he was able to state an uncontradicted figure from his own experience, that 182 out of 184 children came to him without the intervention of a parent.

Mr. Acting Speaker: The honourable member's time has expired.

Mr. Renwick: It may very well be that would mirror very clearly the large and disparate nature of the area of services which are not being provided, because there is no one to be the intermediary between the child and the state to see that the state performs its obligation.

Let's not be stiff-necked about it. Let's accept this step which my colleague has recommended in this long progression to provide children, finally, with respect to their own dignity, with respect to themselves as individuals, the right to get the services we in this Legislature have already legislated into force, but will not permit the beneficiary to assert the right to obtain.

Mr. McGuigan: I rise with a great deal of pleasure to support the bill introduced by the member for Bellwoods. I do so particularly because of my role as critic for human rights in our party.

I want to speak briefly, in the time allotted to me, on the subject raised by members opposite as to how we protect children—whether we do it with piecemeal legislation or whether we do it with an omnibus bill such as the one presented by the honourable member. Perhaps it isn't perfect and omnibus in every way, but it is a good start in that direction.

In my short time in the Legislature we have done this in the matter of occupational health and safety. We have done it with bills regarding residential tenancies. While these may not be perfect bills, they have gone a long way towards correcting inequities in their respective fields.

The greatest field for legislation today, in Canada and in the world, is the lack of an overall protection for children. This has been recognized by the United Nations in declaring this to be the International Year of the Child. As other speakers have pointed out, our problem is really a matter of attitude. We fail to realize that today the old idea of a farm family, with the children all working on the farm and staying in the community, has passed. We are into a city state. I think something like 70 per cent of the people in Canada now live in cities. So we have to broaden our horizon in our view of the family.

A family today is more than the mothers and fathers; it is the school, the church and

the government, with the back-up and supporting facilities that all of our society can offer to children

[4:30]

I would ask members opposite to broaden their horizons and think of children and the family in those terms, rather than simply conferring the concept to a mother and a father; in so many cases today the reality of this concept is a single parent.

Mr. McClellan: Mr. Speaker, I want to thank my colleagues for participating in the debate, and particularly for the support expressed by my colleagues in the Liberal Party.

I want to deal in the few minutes remaining, by way of rebuttal, with a couple of particularly spurious points put forward by the Minister of Community and Social Services (Mr. Norton). He quoted, rightly, from the Berger report, that a preferable way of implementing children's rights was to proceed statute by statute

Fine; where are the statutes from the government? Where are the pieces of legislation from this government enshrining children's rights, statute by statute? They don't exist; this government hasn't brought them in. This government has no intention of bringing in these kinds of enunciated rights with any means of redress through individual legislation.

We go to the alternative, which is to bring in a single statute, a bill of rights which has a primacy clause. The primacy clause in this bill is section 11.

We are very mindful of what Mr. Justice Berger said, and in the best of all possible worlds we would have a government with the commitment to children's rights to bring in all of the statutes to provide services to children in families, to enshrine the provisions in the statutes one by one. They don't intend to do this, so we will do it for them through a single bill.

Secondly, the minister doesn't seem to have the foggiest notion of what a bill of rights is. He says the rights enunciated are vague and unspecific. Surely he realizes it is the function of a bill of rights to be subject to judicial review, for the courts to establish the community standard, the yardstick for measuring what the particular right means within a given period of time.

Who would have thought in the 18th century that the American Bill of Rights woud have become in 200 years a vehicle for eliminating segregation in the school system? The interpretation of what an enunciated right means in any bill of rights is something that grows and develops and evolves over a period of time. It is precisely because of its developmental and evolutionary nature as a community standard that a bill of rights is so important and so essential.

I accept the suggestions made by the member for York Centre that the bill is not a Mosaic tablet, it is not intended to be authoritative or the final word. It is an attempt to address the problem in the hope the Legislature will pass the bill and we can send it to committee for public hearings and full discussions. I would accept contributions and I would expect the members from all sides of the House would have contributions to make to a children's bill of rights to make it the best we can humanly devise.

I want to make a special plea. We have two months left in the International Year of the Child. At this point in time the accomplishment in this province is very slim. We have passed some legislation—the minister smiles—we have passed a new Child Welfare Act. That's a kind of a melancholy record, isn't it?

The Child Welfare Act deals with broken bodies and broken lives. It is the kind of legislation that picks up the pieces after the damage is done. It is not the kind of legislation that anticipates problems or provides services to families to prevent the problems from developing in the first place. The best we can do for the children of this province is to give them a new piece of child welfare legislation to try to pick up what's left of their damaged and broken lives. What a pathetic and pitiful record that is.

Let's not just see the International Year of the Child, which has been plagued with so much humbug, simply disappear and vanish into the air. Let us pass something here today that will have real significance and real meaning. Let us pass something of value which we can carry over as part of our work into 1980 and beyond, that will leave a lasting record; something that will be of genuine significance for the children of this province.

Mr. Acting Speaker: The time for debating this issue has expired.

Bill 102 will be dealt with at 10 minutes to six.

NUCLEAR PLANT SAFETY

Mr. Cureatz: Thank you very much, Mr. Speaker, and may I say how pleased I am to see you in the chair again.

Mr. Acting Speaker: To see how pleased the member is, will he move the motion?

Mr. Cureatz: Would you like me to read it all, Mr. Speaker? I'm going to read it in a minute anyway.

Mr. Acting Speaker: If the member reads it now he won't get it into his time. If he reads it later on it will come out of his time for remarks.

Mr. Ruston: Play it again, Sam.

Mr. Cureatz moved resolution 34:

That, in the opinion of this House, the government of Ontario should request the Atomic Energy Control Board to commission a study to analyse the likelihood and consequences of a catastrophic accident, such as a nuclear meltdown in a nuclear reactor or radiation escape, but if within six months of the date of the request the Atomic Energy Control Board has not commissioned such a study, the government of Ontario should undertake the study on its own initiative.

Mr. Acting Speaker: Does the member wish to reserve any time?

Mr. Cureatz: Yes, I would if there is a few minutes left. Are we on our way now?

Mr. Acting Speaker: The member is on his way now. He can proceed.

Mr. Cureatz: I must say that if this resolution causes such controversy as it did in my own caucus it's going to be an interesting debate this afternoon. In addition to that, it's going to be an interesting vote.

Mr. Nixon: I see the member's caucus is electrified.

Mr. Cureatz: Yes, indeed. The members will see how electrified they are as soon as the member for Durham West (Mr. Ashe) comes in.

Might I say, from the outset, in regard to proposing such a study, it's not only of interest to the people of the province of Ontario but of great interest to those in the wonderful riding of Durham East, the riding I represent. As the members are aware, and the members who were on the select committee of Ontario Hydro, of which I see a few in the assembly, there is presently being constructed in my riding the Darlington generating station, a nuclear facility. As the representative for that riding, this station has caused me concern, favourable and unfavourable. The favourable aspect, as we all acknowledge, is the economic benefits. But the unfavourable aspect is the recent occurrences at Three Mile Island and such.

This is not to say I have no faith at all in Ontario Hydro's electrical system. The select committee on Ontario Hydro this summer investigated the safety features of the Candu reactor system. After such investigation, as the preliminary report pointed out—and I might add, as I personally feel – the Candu reactor system is safe to all intents and purposes. I feel that our system is second to none. But notwithstanding my confidence in the Candu system, I think it is in all our interests to investigate all aspects of any feasible problems that could occur in a Candu system.

We have learned that, notwithstanding the logistical breakdowns and the improbability of accidents in a nuclear generating station such as a core meltdown or radiation escape, nothing in the future is predictable. As slim as the possibilities are, there could be an accident of a catastrophic nature.

I believe it is my responsibility to bring this to the attention of the public, especially in the light of the fact that I'm the representative for the riding of Durham East in which the Darlington nuclear generating station is being built.

I think it's important that we have this debate so that not only residents of my riding but the people across Ontario have a better understanding of this mode of electrical power production.

There is no doubt my resolution has stemmed from one of the recommendations made by the draft report of the staff and the select committee on Ontario Hydro affairs. However, I singled out this particular recommendation with the addition of some of my own specifics because it is my belief this particular area of investigation is of a central concern to all of us. I wanted this debated this afternoon because I did not want this issue to become one of 10 or 15 points in the final report that is to come out within two or three weeks. I wanted this House to give cognizance to this matter of the feasibility and possibly of a meltdown or radiation release.

What is a meltdown or what is a radiation release? As in many definitions, the term "meltdown" can cover a wide scope of interpretation. A meltdown could possibly mean the centreline melting of the fuel element—which, according to my understanding, would be of little significance—or it could mean the further extreme I am centring on. This is where there has been a loss of coolant in the reactor core and the coolant has not been replaced, with the result the fuel heats up to such an extent that it begins to distort its containment. It begins to melt down due to the severe temperatures that have resulted because it has not been cooled.

This within itself requires the specific investigation of the probabilities of this hap-

pening and of the result of such an event. But stemming from this core meltdown, we have a further concern and to some degree a greater concern, and that is the extent of radiation release. If we do have a core meltdown and it melts to the bottom of the containment building with the result that no radiation is released to the atmosphere to harm the public, then the accident itself is catastrophic but not to the extent of injuring the population.

This is why I specifically centred out the possibility of radiation release, because it is this radiation release that is the direct concern to the public at large. It is the radiation that directly affects people and not specifically the meltdown. I might also add that radiation relase may not necessarily occur from a meltdown but might occur from some other internal accident in the containment building which would allow radioactive gases to spread out from the station to the surrounding population.

The concern of a meltdown is in another governmental jurisdiction and that is why I specifically stated the request should first be directed to the Atomic Energy Control Board, which is answerable to our federal government. It is their responsibility to the people of Canada, and in our case, particularly the people of Ontario, to ensure the safety of all nuclear generating stations.

During the select committee sessions I was greatly impressed by the representation of all members of the AECB and I have full confidence in their expertise and their authority in protecting the public at large and fulfilling their mandate as directed by the federal government. As a result, the agency in charge should provide the necessary backup in regard to all possibilities involving accidents at a nuclear generating station. No doubt this might stem from their authority.

During our investigation they felt confident that the chances of such an accident happening would indeed be very slim. But even if the chances of such an accident are very slim, we should be prepared in case it ever happens.

I have set out a time limit to see whether the AECB would follow up on such a request. I believe such a time limit is of great importance. If the Atomic Energy Control Board does not feel that such an investigation is warranted, and if after six months a lack of interest is indicated, then the responsibility to follow up must rest with the government of Ontario. After all, the majority of nuclear generating stations are in this province and it is my belief that the government must take a responsibility to investigate all aspects of generating stations.

There have been other studies done in the past on the possibility of nuclear meltdown. For that matter under the Rogers report there is presently a specific investigation of a select area in regard to a nuclear accident. But I think it is important to review the past and present ongoing investigations.

[4:45]

The past investigation most referred to is the Rasmussen report, which was a study undertaken in the United States, the cost of which was some $5 million or $6 million. Inevitably, the proponents of nuclear stations in Canada refer to the study and express confidence that the report logistically satisfies our fears in regard to a meltdown or radiation release.

The interesting thing I found out this summer in sitting on the select committee was the continual reference to the fact that the Candu system is different from the system in the United States, and that events such as Three Mile Island could not occur.

I want to say in that regard that fair is fair. I would like to point out you cannot state that our system is better than the United States', therefore lessening our fears, yet on the other hand bring forward the Rasmussen report, which was a study of the United States system, and support our Candu system with the Rasmussen study. If our system is that much different, then we need a much different study than Rasmussen's.

The cost of such a study is of great importance. As indicated, the cost of the Rasmussen report was in the millions of dollars. The Rogers report, to which I have already referred, is at present in the range of some $50,000 maximum. Cost alone is by no means an indication of the value of the report, but as the committee has heard, the Rogers report is in regard to a very specific aspect of a meltdown. It is not an overall conclusive package investigation of a meltdown or radiation release.

I would suggest to the House that we must be prepared for any kind of catastrophic accident in Ontario. To be prepared, we must have the necessary backup support and investigation so that—and I might say heaven forbid—in the event of any kind of catastrophe there is at least an accessible report to make reference to and to try to monitor the accident as best as possible.

Our first line of defence against such an accident is preparedness. I would like to point out that it is my understanding an investigation is presently being carried out by a private

drug firm to see whether the new food additive, called Spartin, I believe, could replace the saccharin food additive. The study to date on this food additive is in the amount of some $6 million. Might I add, surely if private enterprise has the resources, and I might add the responsibility, to investigate the result of an additive in the food we consume, then the government of Ontario, this government, has a responsibility to assure the public that it is prepared.

Mr. Acting Speaker: The honourable member has eight to nine minutes left in his time.

Mr. J. Reed: I would like at the outset to commend the words and the thoughtfulness of the member for Durham East. I think he has put a great deal of effort into the preparation of and into the reasoning for this resolution. He expressed many of the thoughts those of us who will be supporting the resolution feel about this particular issue.

When that event now known as Three Mile Island occurred, it brought to the forefront that latent fear that rests with a very large body of the public; that is, the consequences on the possibility of a meltdown. Frankly, there may be other types of accidents in the nuclear system that might have a broader impact on the public at large. I can think of one; a blowup might be more troublesome than a meltdown. However, we don't know what those consequences are. All we know is that by doing some mathematics we have arrived at certain probabilities of whether or not such a catastrophe is likely to occur within a certain period of time.

We play a numbers game with these things and we conclude that if the numbers are such that the one chance in so many thousand figure arises from our deliberations, then we say the chances of something of this nature happening are so remote as not to warrant the kind of investigation the member proposes.

I happen to hold the feeling that the future of our nuclear industry in Ontario and in Canada really rests in one area and that is the area of public confidence. That is the root. All of the good things we might or might not say about the nuclear debate or about the nuclear future really are irrelevant unless we have that public support.

It was in the interests of public support that my party, under the leadership of the member for Hamilton West (Mr. S. Smith), really was one of the instruments that helped to precipitate the change around in the policy of Ontario Hydro regarding the disclosure of nuclear information. I think the observation can be made now, about five months later, that as a result of that reversal of policy we now have a more enlightened public and a new look at the nuclear industry which has relieved a large number of the real concerns that the public expressed before that time.

The consideration of the meltdown possibility is still with us, and so far it has not been addressed.

I have one question I would like to ask the honourable member and I am glad he reserved some time at the end of this debate. How would he relate the study to the study that Dr. Rogers has been commissioned to do by the control board? I would like to think that this study would not simply be a duplication of that effort, that it would in fact complement it and not tread through the same area that Dr. Rogers has put his mind to. I suggest that in the interest of economy, in the interest of not duplicating, the member might make that very clear.

We are finding nuclear engines run reasonably well. We are finding nuclear engines are just like all of the engines devised by man: there is nothing in this world that cannot be made better and there is a capability of making the nuclear engines better. The select committee, of which I was privileged to be a part, considered that. We will have some recommendations to make in that regard.

Nevertheless, as remote as these large-impact accidents may be in terms of the numbers game, I firmly believe it is essential that we explore them so that, as the honourable member has said, we are prepared when the time comes. I think we are short-changing ourselves if we dismiss the whole idea as something just very esoteric and very remote, and walk away from it. Inevitably, that is the time something of that nature happens.

We have to build public confidence; we have to disclose to the public exactly what the nuclear industry is all about. As I said before, it is they who will make the decision in the end about the future of this technology.

So, it is with pleasure that I support this resolution.

Mr. MacDonald: This resolution is worthy of support. I say that at the outset because of the objective which it espouses. But I say it with two rather serious qualifications, and I want to deal with them first.

The qualifications are that the whole question of bringing in this resolution at this time and in this way strikes me as a little peculiar. The honourable member is a member of the select committee. The select committee has had a draft report. It is going

to be considering that draft report and finalizing it a week from now. The member sort of scoops one of the major items. He argues it is because he wants to focus attention on it.

An hon. member: Pirated.

Mr. MacDonald: Well, pirated, and he brings it in here. As a matter of fact, it is rather fascinating, Mr. Speaker. I am not going to argue this but I just throw it out to you. I think in spirit, if not technically, it is out of order—

Mr. Cureatz: Never.

Mr. MacDonald: —because this issue is out to a select committee and the report on the issue is going to come back for debate at some later point. It's a strange method, which gets me to the next point that I want to deal with.

The member's revelation that this has provoked a great debate in the Tory caucus and he thought that maybe presaged a rather stormy or spectacular debate here rather intrigues me, because as he and every member of the select committee knows this issue was a major preoccupation that came up—I was going to say almost every second day during our summer hearings, and as a major preoccupation he and everybody else was aware of it. Yet, if I recall correctly, I don't know of a single instance in which a government member spoke to this issue at any great length and with any great substance.

I remember the member for York West (Mr. Leluk) at one point alluding to it and when he had to leave he left the question with the consultant to the committee to ask of a certain witness, and I think the member for Durham East raised it. There was a great silence there among the government members. So this member, I suspect for reasons of the fact that his public image is of an almost unqualified mindless espousal of the nuclear option and he is now having to contend with that growing body of opinion in his own riding and elsewhere, who have some concerns about it, is trying to be on both side of the fence and is bringing in this resolution.

Mr. Hennessy: Which side are you on?

Mr. MacDonald: I will tell the member what side I am on. In fact, I revealed it in the committee, which is something that the member for Fort William didn't do and he might have done it since he was a member of the committee.

Let me get to the substance of the issue. Sorry, let me go back just a wee bit. There is another thing I am a little concerned about. I think the framing of the resolution, which of course could be cleaned up a bit if one went to its terms of reference for a study, but the meltdown and melt-through is the main preoccupation in the committee and for people, and suddenly the member brings into it a radiation escape.

One can have radiation escapes in relation to many kinds of accidents around a nuclear plant far removed from a meltdown and a melt-through, so I am puzzled about the terms of reference in the resolution and it's my second sort of major qualification on it. On the main thrust of it, and let me speak to that, the issue of the potential of a meltdown and a melt-through is the real catastrophic accident that really brings people to a cold halt to consider the whole nuclear generation of power.

As I said a moment ago, this was brought up many times during the course of the committee. We had testimony from Hydro that it wasn't possible. They even explained on one occasion that if there was a meltdown and it all fell on to the floor of the containment body that it wouldn't melt through because they had water in pipes that were cooling it so you would have a second cooling system. We had other testimony from Dr. Edwards and others who said nonsense, that the heat from that melted down fuel would fracture the cement and then you get into the spectre of that melting down into the earth, the whole spectre that was so dramatized by The China Syndrome.

It is an important issue and I must say, in answer to the member for Fort William as to where I stand, I have many times in the committee said to witnesses, "Look, if this is the ultimate, if this is the potential catastrophic accident, why do you take the position, as they do at Ontario Hydro, as they do at AECL, as they do at AECB, that we are spending most of our time and our energy in forestalling that kind of an accident? We have never really looked at the consequences of it."

[5:00]

It seems to me the failure to look at the consequences of that kind of a catastrophic accident is illogical; it's folly. If you want to answer the growing concern out there, bolstered by the psychological fallout from Hiroshima from the Second World War and The China Syndrome, you have to face up to the potential catastrophic accident. That is what people are going to think about as they think about the great complexity of the nuclear situation.

The committee, as the honourable member has indicated, had testimony to the effect that some measure of study has been done in the direction of this issue by Dr. Rogers, from Carleton University. The committee was studying the amount of heat that could be generated there and, therefore, whether that amount of heat raised the prospect of breaking through the containment. Dr. Rogers himself suggested that there was another step in the study which he would like to take. Whether or not it was because of the prospect of our hearings and our testimony and the committee's questioning, the AECB has agreed to that further study. But it represents only two little nibbles at a great big problem.

In the United States, as has been alluded to, Mr. Speaker, you had the Rasmussen study; a study in which there were millions of man-hours put on it. They spent some $5 million. But the American system is different. Some of it can apply to Canada but much of it has to be just an extrapolation and then we have to study the details of the Canadian system.

Therefore, there is a reason why many times in the committee I, in my rather rare ventures to questioning, asked why we don't pursue that kind of study. The usual argument is the one that the honourable member, at least fleetingly, raised today: it would cost a lot.

Let me put it this way: suppose it cost all of the $5 million that the Rasmussen study cost in the United States. I don't think it could or should, but suppose it did. Put that in the perspective of Ontario Hydro taking one of the oldest plants in its system, shutting it down in 1976, then spending $36 million to rehabilitate it. Once rehabilitated, it was mothballed because Hydro didn't need its generating capacity. If you can spend $36 million rehabilitating an old plant, you can certainly spend up to $5 million on resolving the potential, the possibilities and the dangers involved in the catastrophic accident that can take place in a nuclear plant.

I think it is in the interests of the nuclear industry, whose credibility and viability is seriously questioned. It is in the interests of Ontario Hydro. It is in the interests of everybody who is part and parcel of the nuclear establishment in the province of Ontario to face up to this issue.

The honourable member has suggested that we should leave it to AECB. He doesn't need to be told that AECB in effect said, "Nonsense. We don't want to proceed with this." They have given a little bit more of a job to Dr. Rogers. Six months from now he will know that AECB isn't going to do it, so he will hand it back to the Ontario government and place the responsibility there.

I have said in the committee already that rather than wait for the AECB if we can't get an immediate commitment, spend $5 million of the $1 billion a year spent for the extension of the nuclear system. It would be a wise expenditure. It may be in part scientific, it may be in part public relations, but it would be a wise expenditure.

So with all my reservations regarding the reason why and the manner in which this resolution was brought in, and with all of my reservations regarding what I think is the untidiness of its wording representative of the terms of reference of the study, I still think the object it is focusing on is a very important objective. We should pursue the study and, therefore, the resolution is worthy of support.

Mr. Ashe: When we discuss and debate such an important issue it seems rather redundant to have to say that naturally we are all concerned – that it is, if you will, a motherhood concern. It is much deeper than that. The safety of our whole environment, the safety of our nuclear system goes without saying. Of course, that is one of the reasons why this resolution is before us this afternoon.

It also has to be put on the record that even those involved in the industry, including Ontario Hydro, also have an ongoing concern about the safety of their system both, naturally, for their own economic reasons and for their own safety reasons concerning their staff and of course the public as well. My honourable colleague from Durham East, whose riding practically abuts mine on the east, is putting this motion before this Legislature in that spirit. He should be and is commended for it.

I suggest there's probably nobody else as involved as I am. I've said this before as well, that no one in this House sits as close to and is as involved in the nuclear industry, in terms of at least the power generation portion of the nuclear industry, as I am.

Mr. Nixon. How close are you to the reaction?

Mr. Ashe: I live about 4,000 feet from Pickering GS, from the reactor itself–

Mr. T. P. Reid: I knew something was going on.

Mr. Acting Speaker: Order.

Mr. Ashe: –and have done for some 12 years with no concern, I must say, whatsoever.

Mr. Nixon: Second opinion.

Mr. Ashe: It even burned off my upper lip this morning.

Mr. Speaker, that does not mean that I am not concerned for the safety of not only my family but, needless to say, all of the friends and neighbours around me and the people I represent in that great riding of Durham West.

Over the summer, those who were participating in the deliberations of the committee and those who had the opportunity to sit in on it or read the transcript heard an untold myriad of testimony as to the pros and cons of nuclear energy, of the system and, equally important, the pros and cons of this kind of proposed study.

We had expert testimony on both sides of that issue, put forth very sincerely and very honestly on the record, on the reasons why it should be done, the reasons why it was not appropriate to do it and, if there was going to be an expenditure of funds, suggesting other areas where they more appropriately could be spent, still recognizing the spirit of safety as the ultimate goal.

We also heard about and had a lot of testimony relating to the Rasmussen study of the American system. And we also heard that there have been committees and bodies since, on both sides, as a result of that issue; the validity or non-validity of it. I think that is always the problem and what we are concerned with.

All that having been said, the main concern I have in the wording of the motion as it is presently before us I suppose comes down to basically three issues. I'm really concerned that what we are saying indirectly is that the control system in Canada, through the Atomic Energy Control Board, is not, has not and cannot be anticipated to do its job. Therefore, they don't want to do it. The Ontario government and/or Ontario Hydro will just bail them out and take them off the hook. I really am concerned about that.

Let's even separate it from the issue for a moment. What we are saying is, if we have a federal body, a federal agency that has a very legitimate industry that is involved in or some system that it is involved in overseeing, we would just take it over from them. I think we had general testimony in the committee that AECB has been doing a pretty fair job. The committee is going to come, very rightly I think, with some suggestions that may suggest how they can do it better. I think that's very well justified.

But all in all, I think there was general agreement both in the testimony and probably among the majority of the committee members that they are and have been doing a pretty fair, reasonable and honest job. I don't see why we should give any indication that the Ontario government really challenges this conclusion and should take over responsibility that is theirs.

I am further concerned naturally in the aspect of the dollars. I am concerned we would just say in effect, "If you don't do it, we'll let you off the hook. We're prepared to write a blank cheque and take care of your responsibility."

Last but not least—and it carries from the first two—is are we not concerned and should we not be concerned as a Legislature and as a government with certain responsibilities to put it on the record that if we feel at some point another level of government doesn't do its job in the time frame we see as being the right one, we will just let them off the hook and do it for them?

This is the one that concerns me the most. We are setting a precedent. The federal government or its agencies in the future may very well say, "Oh well, when the Atomic Energy Control Board didn't do a study Ontario thought they should do within a certain time frame, the Ontario government let them off the hook. Let's try it again." It could have repercussions well beyond the particular issue we are talking about.

I am really concerned about that aspect of it, I'm not concerned about the end result of what we all agree on—making the system as complete, as honest and as safe as possible—but how we do it. To try to still recognize that and to take away some of the concerns, I would propose to the honourable members for their serious consideration, based on the points I have put before them, an amendment to the resolution before us.

I know it is uncommon to have an amendment to a private member's resolution, even one made by a member of one's own party, but that's how strongly I felt about it. I hope that before the honourable members cast their vote on the amendment, either aye or nay, they will think seriously about what I have said.

I move that the resolution be amended by deleting everything after the word "escape" and substituting therefor the following: "although recognizing the legal responsibilities of the federal authorities in this matter, the government of Ontario should consider the undertaking of such a study if the federal authorities do not commission such a study within a reasonable period of time."

Ms. Gigantes: In the fullness of time.

Mr. Ashe: How much time do I have, Mr. Speaker?

Ms. Gigantes: Why not "the fullness of time"?

Mr. Ashe: No, not the fullness of time but "reasonable period of time."

Do I have any time remaining, Mr. Speaker? Would it be in order to put the amendment at the appropriate time when the members are present?

Mr. Deputy Speaker: You placed the amendment, so I suppose the appropriate time is right now.

Mr. Ashe has moved an amendment. Do members wish me to read it again?

Some hon. members: Dispense.

Mr. Ashe: I think I have already covered the points I tried to cover with this amendment. The spirit of the resolution remains identical. The concern as expressed in the resolution is identical. Rather than saying if the federal government doesn't do it within a certain time we will do it, I would suggest a not very lengthy period of time. This amendment says, "It is your responsibility. If you don't do it, we will look at it again if the time frame seems reasonable," which was the terms I used.

I suggest that does not defeat the purpose or the spirit of the resolution, but probably makes it a little more reasonable. It is not putting the government on the hook with future implications of this kind of acceptance of responsibility pertaining to another jurisdiction.

I would suggest to honourable members that we should all be concerned about that aspect of this kind of motion, in the form it is presently before you, without amendment.

Mr. Nixon: I don't feel the member for Durham West has served the debate well by putting forward the amendment. He has focused the concern of the resolution on who should do the review and who should pay for it, rather than the importance of the review of a possible meltdown—

Mr. Breaugh: On a point of order, Mr. Speaker: Has the chair accepted the amendment?

Mr. Nixon: Is the member questioning it on a point of order?

Mr. Deputy Speaker: Yes, I accepted it. I actually put the motion, but was asked to dispense with the reading of it.

Mr. Breaugh: The dispensing of the reading of the amendment was agreed. But I am still not clear under what rule in the standing orders or on what precedents the chair has accepted an amendment to a private member's resolution during this type of debate.

On page 17 of the standing orders it says, "No amendment may be made to a motion." I interpret that to mean the amendment is not in order. I would like the chair to make a ruling on that.

[5:15]

Mr. Deputy Speaker: Would you bear with me a moment? Could we continue the debate for a few moments? I'll check it out and then make a ruling.

Mr. Nixon: I would be glad to give my remarks while you're considering the point of order raised by the honourable member.

As a member of the select committee on Hydro affairs, I know all of us feel a tremendous concern for the safety of the atomic reactors that have been developed and built in this province. It appears that the committee may come down with a recommendation to the House that in our considered opinion the reactors presently operating are safe enough. Those are not the words we'll use, but essentially, with all the political cavils that we can think of to embroider it, it looks as if that's what we are about to say.

Sometimes some of us will contemplate that recommendation and say, "Where do we stand in the event of an accident some time, now or in the future?" It would be a great thing if by some action that this House could take, without regard to the money involved, we could reassure ourselves that a catastrophic accident is impossible—or even, I suppose, have someone tell us in more detail what the results of the accident would be.

I say, Mr. Speaker, we know the answer, in great measure, to both those questions now. A catastrophic accident is possible. We have been told, on the best authority we could summon before the committee, that an accident of the magnitude of the type envisaged by the resolution will take place 10^{-7} times every year. Whatever that means, it means it will happen about once every 10 million years.

There are those who can argue with me that maybe it's 10^{-6}; maybe it's 10^{-5}. But if we are to have an extensive review of this, whoever gives us the answer will have to sit on some sort of a number, a probability, which can then be argued by any kind of a researcher.

I would submit to you that if the research were done on the probability of the accident, whatever its clear indications are and its name, it is going to be a very highly improbable occurrence, happening once in a million years.

That doesn't mean that it cannot happen tomorrow and no amount of research is going

to assuage our conscience, as members of this committee or this House, if we allow the atomic program to go forward or to continue to function in its present state. There is no scientist who can tell us that an accident of this catastrophic proportion cannot happen. Those of us who think that voting for this resolution is going to make that possibility disappear are wrong, and we are misleading not only ourselves, but others.

If this sort of catastrophic accident occurred, the ramifications are extremely large. It could very well pollute not only the groundwaters of this part of Ontario but also probably the major part of the Great Lakes system from Lake Huron and Lake Erie and Lake Ontario on down. It's a real possibility that a whole area, certainly all of Metropolitan Toronto, would have to be vacated—and perhaps permanently.

The research could be done to give us this information, but in my view the information is really not of use or significance. Rasmussen's report has already been made, a very expensive one. Others have indicated that as soon as it came forward—and I agree with the member for York South (Mr. MacDonald) that the $5 million is completely irrelevant—a review of it was established under Dr. Lewis, a much shorter study, drawing to the attention of anybody who would read it certain shortcomings, the incorrect focus and application and conclusion based on some of the findings.

I personally believe that our atomic program is as safe as it can be. People who don't believe that should be calling for its cessation and a moratorium on all other atomic reactors and a gradual or immediate closedown of the reactors we have.

I feel it is extremely misleading for us, in this House, to vote for the kind of research which is going to come up with results which do not have a significance to us, a type we can support.

I want to quote to you, Mr. Speaker, in the few minutes available to me, from the report of the president's commission on the accident at Three Mile Island entitled, The Need for Change—The Legacy of Three Mile Island, October 1979. I'm quoting from the section on page nine entitled Overview.

"We find a fundamental fault, even with the existing body of regulations. While scientists and engineers have worried for decades about the safety of nuclear equipment, we find that the approach to nuclear safety had a major flaw. It was natural for the regulators and the industry to ask, 'What is the worst kind of equipment failure that can occur?' "

I quote further: "A potentially insignificant incident grew into the Three Mile Island accident with severe damage to the reactor. Since such combinations of minor equipment failures are likely to occur much more often than the huge accidents, they deserve extensive and thorough study. In addition, they require operators and supervisors who have a thorough understanding of the functioning of the plant and who can respond to the combinations of small equipment failures."

I simply want to stress that this is not written by people with a commitment to the atomic program, or a commitment to "ban the nukes." This is the president's review commission, which has brought out an excellent report. It emphasizes here that there has been too much emphasis on a review of the major kinds of accidents, or what is the worst that can occur. That's what is involved in this resolution.

I want to read briefly, also, from a report which is an exhibit from our committee numbered E-88. It's entitled, Nuclear Power Reactor Safety in Illinois.

They have almost as much power reactor equipment, either built or being built there. This is a report to the governor. From page 13 of that report is recommendation A-7:

"It is recommended that the Nuclear Regulatory Commission and the Department of the Environment review their nuclear reactor safty programs so as to place greater emphasis on anticipated events and incidents of moderate and low probability and less emphasis on hypothetical limiting faults of extremely low probability. For too long, both NRC and DOE have displayed a lack of perspective in this regard having allocated most resources to the study of highly improbable limiting faults."

This resolution is all about highly improbable accidents. The best thing we can do, really, after we pray they don't happen, is see that the review and the money—and the money is not a limiting factor—and the commitment be made so our Candu reactors, which in my view are the best in the world but that doesn't save us from anything, are made even better and as safe as possible.

I'm not objecting to any money that might be spent for the review of how often a meltdown can happen. We've already been told it lies in the range of extreme improbability. Nobody can ever tell us that such an accident cannot happen, because it can. We should not be spending so much time on what the results would be, other than to have a program to save ourselves if such an improbable event occurs.

For those reasons, whether or not the amendment is in order, I don't find it significant or useful in the debate that has been triggered by this. I further believe that the argument associated with this will have to take place in the committee anyway. I agree with the chairman of the committee. It's of concern to me that it has happened here where none of us are experts, but votes are going to be given by people who are not expert, or who are going to be called in by the bells and won't know a damn thing about it. It's probably unfair to say, but it would appear some could care less. However, I feel that, under these circumstances, I cannot support either the amendment or the resolution.

Mr. Deputy Speaker: The honourable member's time has expired.

On the point of order raised by the member for Oshawa (Mr. Breaugh), he refers to standing order 63(d) which states no amendment may be made to a motion under the standing order. However, the standing order refers to a want of confidence motion. This is a private member's resolution and there are precedents where amendments have been placed and I can refer particularly to November 17, 1977. Therefore, the amendment is in order.

The member for Oshawa.

Mr. Breaugh: Mr. Speaker, sometimes you break my heart with this stuff.

Hon. Mr. Welch: And he's the chairman of the procedural affairs committee.

Mr. Breaugh: I guess we haven't travelled enough to know that. We will probably correct that situation this year.

I am prepared to support even an amended resolution of this kind. I read with great interest and did attempt to follow the work of the select committee in its deliberations in the summer, and I admit that is a difficult task. It is a matter which should be of great concern to all members in this House. I think most members at least attempt to keep reasonably well briefed on the subject.

It is a matter of grave personal concern to me because my house will be located between two of the world's largest nuclear plants. That is of some concern to me. The effects of even low-level radiation over a long period of time have been demonstrated on certain members in this House and I would hate to have that happen to my family.

The matter of whether it would be a meltdown, whether it would be a complete break in the system, or whether it would be low-level radiation—all of those safety factors I think ought to be investigated thoroughly. I read the Hansard, for example, just for one day, for October 4. In that particular debate inside the committee I did notice the member for Durham East was not quibbling over time frame nor posing amendments. On that day, these were his words: "I don't support the concept."

That seems to me to be rather straight. He doesn't believe there should be this kind of an investigation. By today though we have arrived at a point where we are dealing with an amendment now posed by that honourable member which has rearranged priorities somewhat. I was frankly somewhat surprised to read that the member for Durham East had posed this resolution, from several points of view. First of all, I had read in the committee's work that this matter was under discussion in the committee and would most likely be part of the committee's final report. It surprised me to see, all of a sudden, this resolution apear on the Order Paper in his name. It appeared to me he had, if you will pardon the expression, a hot flash of common sense. I do not believe that was a radiation flash or that it was likely male menopause had set in.

However, no matter how the resolution came to be, pirated from a committee or otherwise, I welcome it. I think it is overdue and it is certainly an important matter for the House to consider. We are all perhaps over-sensitive these days on the matter of what happens in nuclear plants, the reality of their safety factors and what kinds of studies have been done. It seems to me only rational that in Canada, one of the foremost countries in the world in terms of studying nuclear power and developing new techniques in the utilization of nuclear power, that we ought to use the expertise we have here and around the world to do as complete a study of the safety factors possible.

What does concern me somewhat, though, is I read in that same committee's deliberations of that day the member for Durham East said, if I may quote him once again, "I would like to see the recommendation be put on the federal government's plate and then let them, if they refuse, refuse it so that then we have the opportunity of saying the federal government is shirking its responsibility."

Mr. Speaker, I don't mean to question the motive of any honourable member, but I do understand the statements in committee are a little different from the statements I

have heard in the debate here this afternoon.

This is a matter of growing concern in our community. It is a matter of growing concern across the province. I think the answers, in part, will stem from the work of the select committee. But more important, I guess, the select committee, for all of its fine work over the course of the summer and for whatever recommendations might come forward from that committee, in many instances raised more questions than there were answers. But I hope they brought to the forefront of Canadian and Ontario provincial politics, at least, all of the many considerations necessary in dealing with nuclear power.

[5:30]

I think we have arrived at a point where critical questions must be answered before we proceed any further. I recognize full well that in my area and in others the building of nuclear power plants is seen by some to be a simple, safe exercise such as one would engage in if one were building pyramids. I do not believe that to be the case. I believe there are a great many considerations that have to be thought through carefully and much of that pool of expertise that is present in Canada must be exercised now to ascertain if the public statements made by Ontario Hydro are true, if their television commercials, which may in turn be very successful at convincing the public of this province there really is nothing wrong with nuclear safety, are really factual.

I question the propriety, frankly, in the midst of hearings of a select committee of this House investigating nuclear safety, of the agency which puts up the nuclear plants spending that much money, that much time and that much effort in putting forward simplistic 60-second responses to the work of the committee. I find that to be not a satisfactory approach for Ontario Hydro to take. I recognize that it appears to be quite out of control from time to time and at least quite free to do whatver it feels like doing.

Mr. Speaker, it will be interesting this afternoon to watch the reactions of various members. It will be fascinating to see, having succeeded in amending—perhaps not too significantly, but at last getting the amendment on the floor—this particular resolution, if the Conservative front-benchers this afternoon will exercise, as vigorously as they have on other Thursday afternoons, the provisions for blockage.

The Minister of Energy (Mr. Welch) certainly has a fascinating interest in it and I note he is one of the few front-benchers to be here at all. I am waiting anxiously for his informed comment on this resolution. There is another front-bencher here, but the remainder of the cabinet is absent, gone.

It will be interesting to follow the voting pattern this afternoon to see, in the first instance, whether the resolution will ever see the light of day, let alone the investigation it calls for and, subsequently, what will be the result of that particular vote.

I have concerns which I have voiced on many occasions about the use of nuclear power and its extent and its safety in this province. This resolution doesn't do a great deal. It may well be inspired by unusual motives. It may well not be the appropriate way to go about getting this matter before the House. Perhaps it would have been more sensible to let the select committee do its business and provide its report and recommendations to this House.

I am at that point where I do not care how this resolution came before us. I don't even care who put this resolution before us. I don't even care who amended this resolution. Something of this nature must occur and for that simple reason I will support even this resolution.

Mr. Hennessy: I doubt very much that there is an issue of greater interest or importance than nuclear safety. It is an issue which is the subject of endless discussion and argument. After having listened to the discussions in the select committee on Hydro affairs, I sometimes feel that the so-called experts are even more confused than I am.

I do not pretend to be a nuclear expert. I don't think any member of this House can make that claim. I do know that a problem such as this cannot have one simple solution. This resolution is one small part of an answer to a very big question. I am not entirely happy with the resolution. I believe there are many problems which have to be ironed out, but, in spite of these, if we keep in mind that it is only part of a larger solution, I am convinced we should pass the resolution of the member for Durham East.

A study of this sort has to be made. We all have families and loved ones and we want to protect them. We trust others to look after and care for our families and friends. I trust my doctor to give them the best care that he or she is capable of. The same goes for teachers, social workers or any other professional.

We are all elected to serve the people of this province. When we are elected our constituents are telling us that they trust us to look after them and they trust that we will, to the best of our ability, represent and

care for them. I intend to keep that trust. I don't think I could if I didn't regard the importance of nuclear safety with as much emphasis as I do. I think they would have every right to question the trust if I didn't support this resolution.

As we all know, there are many nuclear-oriented industries based in Ontario. These industries cannot possibly survive if they do not have the confidence of the people in this province. How can our citizens feel confident and secure if those they have entrusted to maintain the highest level of nuclear safety do not explore every possibility of a nuclear accident? The confidence will never be regained if someone does not undertake this study.

Certainly, the AECB has been given a job to do. Under the Atomic Energy Control Act it is their responsibility to control and supervise the development, application and use of nuclear energy. If they are to do a good job they must be aware of all the alternatives. To pursue a policy of generating electricity by nuclear power without knowing the results would be a mistake. It would not be unlike a gambler getting into a poker game without knowing how high the stakes are. I would suggest the gambler might lose his shirt—or her shirt, for the member for Carleton East.

Ms. Gigantes: I haven't been gambling lately.

Mr. Conway: Wait until they hear this in Deep River.

Mr. Hennessy: There is a need for the type of study my honourable colleague recommends. I can always walk across the street. I think we must take a good long look at some of the possible pitfalls. If we don't look at the problems now, they may come to represent a larger task than we now face.

There is also the very large question of jurisdiction. There is absolutely no doubt that nuclear safety is a federal responsibility. The Atomic Energy Control Act is a federal law and so is the Nuclear Liability Act. The AECB reports to the federal Minister of Energy, Mines and Resources.

We must also take a realistic look at how the results of such a study may be used. If it is done for the provincial government, the AECB and the federal government may or may not accept these results as being of any value.

Let's take a moment to look at their viewpoint. If I was a president of a business producing widgets and I was approached by one of my clients to do a complete study of my product, I may or may not comply. As that client then proceeded to fund his own study, my acceptance of the work would probably depend on the results. If these results revealed that my widgets were safe and very beneficial, I would be pretty stupid if I discredited that study. If, on the other hand, the study indicated that health hazards did exist because of the use of my widgets, I might be tempted to question the quality of the results.

At any rate, the fact remains that AECB has the opportunity open to it to ignore a provincial study. It would be much more difficult for them to ignore a study they themselves have ordered. I feel very strongly that every method of persuasion should be used to have AECB conduct its own study. Perhaps this resolution will be all the persuasion needed to spur a federal review.

As well, I am very concerned about the responsibility of the Ontario government to commission such a review. The quality of such a work is going to depend on who takes this important task. The acceptance will also depend on the author, on his or her credentials.

Let us look at another example. As all members do, I travel home to my riding as often as possible. It would be much easier for me to make that trip, of course, if I represented a riding in or around Toronto. That is not the case. Because I represent the riding of Fort William, in order to get home I have to hop a plane, a plane that is not unlike a DC-10. If for some reason I was concerned about the safety of a DC-10 and wanted to have an independent study undertaken to determine its level of safety, it would be up to me to delegate that study.

Quite frankly, I am not an expert on airplane safety and I am not really sure who I would hire to do the best study. I assure members I would want the best study possible, because I would use that plane quite a lot. I am very concerned that I may have to hire someone to do a study to find the best person to investigate the safety of the DC-10 and only add to the overall cost.

I, for one, do not feel qualified to suggest who should do a study on either an airplane or nuclear safety. What is the best type of study then? I am sure we can agree that a large degree of independence is very important, but just exactly who is independent? I would want someone who is familiar with the modern nuclear industry and has sound knowledge of all the recent changes in technology. I have some fears that finding such a person who is acceptable to all parties may be more difficult than the task itself.

There is no doubt in my mind of the great importance of nuclear power to this province.

From the committees I have sat on, I believe it is almost impossible to find a better power corporation in North America than Ontario Hydro. The professionals of that organization are matched only by those of AECB. We have a first-rate nuclear power industry and control board, but does that mean that we cannot continue to improve upon this excellence? Therefore, I feel that this resolution would greatly help the nuclear industry.

I am very distressed when I go into a store and ask a staff member for some help and I am told by him, "It is not my department." Too often we in government tell the people, "It's not my department," and shove the problem off in some other direction. I think it's about time we stopped passing the buck.

Mr. McClellan: It happens all the time.

Mr. Hennessy: This issue is just too important for that. Yes, there are problems, and I think we could probably get caught with the tab, but I can't betray the trust the people in my riding have handed me. For this reason, I support the resolution.

Mr. Mackenzie: Mr. Speaker, I realize there is just a matter of minutes left, so I will be very brief. One of the things that has come out very clearly in the committee is that a nuclear meltdown or melt-through, as it's called, is the ultimate in a catastrophic accident or could be the ultimate in a catastrophic accident.

We also know, and to me, at least, it was made very clear, that safety in the nuclear field—and to date it has been good—is based to a large extent on a series of mathematical probabilities. We have had a relatively safe situation to date because we haven't been faced with a major accident and we have no real-life experience as to what the ultimate is in terms of a major catastrophe. It's also fairly clear from some of the evidence given us—the extent was alluded to by one of the Liberal members—as to the possibilities in terms of a major catastrophic accident. It's also clear—or at least it is clear to me—that one such accident could change the entire picture in terms of the safety of nuclear power.

If we are going to base the safety of nuclear power on mathematical probabilities, and we could be looking at the safety of thousands, hundreds of thousand or even millions of people in this province on the basis of mathematical probabilities, I think it's important to all of us to have all of the factors in that equation. I think there is a possibility—I am not sure we can get the answers—that a study such as is recommended will give us the remaining factors in that equation. Without it, we are playing a stupid game.

While I agree that this whole area is scary enough that we may need, as the former leader of the Liberal Party has suggested, prayers for safety in the nuclear field, I would remind him also that one of the little things my parents always told me was that the good Lord helps those that help themselves. Maybe we need a little assistance in this kind of a study.

For this reason, I support the resolution that's before us.

Mr. Cureatz: Mr. Speaker, it goes without saying that I appreciate very much the contribution of those members of the assembly who have participated in this debate and have commented on my resolution. Let me touch base with a few of those members who have commented.

The member for Halton-Burlington (Mr. J. Reed) brought out a very important point in regard to other types of accidents. Without limiting the resolution that I proposed, I did intend to include any kind of major catastrophe that would be extremely detrimental to the population at large. I would trust that any kind of investigation would take those kinds of considerations into hand.

[5:45]

I would also agree with him that in regard to the Rogers report I did not intend any kind of duplication. Indeed, if we are lucky enough to have an investigation in regard to my resolution take place it should stem from and expand on the Rogers report.

That leads me to the concerns of the member for York South (Mr. MacDonald), who is a little worried about the technicality. I would like to bring to his attention that if he was so concerned he should have brought forward those problems two weeks ago when I brought in the resolution.

I want to further bring to his attention that this is private members' hour and so often I have sat here at about 5:45 and have heard time and time again from those honourable members sitting on the opposite side, "Are we going to have a veto again? What happened to good old private members' hour?"

I want to tell the member for York South that I feel this is private members' hour and I want to remind him what it is like to be lining up behind the Minister of Energy (Mr. Welch)—and it is nice to see him here, as the member for Oshawa (Mr. Breaugh) pointed out—and then lining up behind the parliamentary assistant to the Minister of

Energy, the member for Durham West (Mr. Ashe)—

Mr. Martel: We'll see where you line up on the first bill.

Mr. Cureatz: —and then after that lining up behind the senior members on the select committee, and then finally getting your two cents in. I will tell the member for York South that it is about time that my name was drawn again.

So I had the opportunity of bringing up this concern of mine in regard to meltdowns and radiation releases. I want to underline radiation releases, because I think quite often on the committee we have missed the whole point.

The whole point is that, indeed, a meltdown is a catastrophic accident but if it is contained in the containment, where people are not severely affected, then the accident is not as catastrophic as it might be. But a radiation release of any nature—and this is why I bring in the member for Halton-Burlington—a radiation release of any nature could be catastrophic to surrounding population. That is why I specifically brought it in and I am going to bring that to the attention of the committee again when we sit next week.

The member for Brant-Oxford-Norfolk (Mr. Nixon) brought forth some of his concerns. I was amused at one of his major concerns—that he worries that the members of the legislative assembly will come in here and, if I could quote him, "They won't give a damn or know a damn what they are voting about." I want to bring that to the attention of the member. Is that so different from other occasions in here? Is this so different from other occasions?

Mr. Kerrio: Oh, yes.

Mr. Cureatz: I do fully agree with him that indeed, notwithstanding the cost, we have to be prepared, and that is my whole point.

I want to bring again to the attention of the member for York South that as a member of the select committee on Ontario Hydro I knew nothing about nuclear energy or nuclear safety, but over the last few months during the summer sessions I learned a great deal. As a representative of this assembly I feel it is my responsibility to the province of Ontario and to my riding to reflect those concerns and those issues that have been brought to my attention, and indeed this is my concern, that notwithstanding the probabilities, notwithstanding the costs, we in the province of Ontario have to be prepared.

Finally, the member for Durham West—whom, I might add, I respect very much, a very hard-working member of the committee, a very hard-working member as parliamentary assistant to the Minister of Energy, he probably worked a bit harder than the Minister of Energy—has brought forward an amendment to the resolution. I want to say to the members of the assembly that I am just a little worried about this amendment, because after sitting here for two and a half years, and when you hear "the fullness of time" and "reasonable time," you get a little worried about what that means.

As a private member—and I want to stress that to those sacred cabinet ministers—as a private member I want to put a time limit on it and let's see if we are going to respond to the kinds of responsibilities I think this government has to respond to. Thank you, Mr. Speaker.

CHILDREN'S RIGHTS ACT

The following members having objected by rising, a vote was not taken on Bill 102:

Ashe, Belanger, Birch, Brunelle, Gregory, Henderson, Hennessy, Hodgson, Johnson, J., Leluk, Maeck, McCague, McNeil, Norton, Ramsay, Rotenberg, Rowe, Sterling, Taylor, G., Walker, Watson, Wells—22.

NUCLEAR PLANT SAFETY

Mr. Deputy Speaker: Mr. Ashe has moved an amendment to resolution 34.

Those in favour please say "aye."

Those opposed please say "nay."

In my opinion the nays have it.

Amendment negatived.

Mr. Deputy Speaker: Mr. Cureatz has moved resolution 34.

Those in favour please say "aye."

Those opposed please say "nay."

In my opinion the ayes have it.

Resolution concurred in.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, pursuant to standing order 13 I would like to indicate to the House the business for tomorrow and next week.

Tomorrow morning the committee of supply will meet and consider the estimates of the Ministry of Revenue.

On Monday, November 12, there will be no meeting of the House as it will be the Remembrance Day holiday.

On Tuesday, November 13, in the afternoon we will consider legislation. First, Bill

77 in committee, followed by Bill 160, second reading only, until 6 p.m. In the evening we'll consider Bill 122, second reading and committee stage, followed by Bill 160 if it has not been completed before 6 p.m. Following that, Bill 156, second reading, if time permits.

On Wednesday, November 14, the justice, resources development and general government committees may meet in the morning.

On Thursday, November 15, in the afternoon, the House will consider private members' public business. First, ballot item five standing in the name of the member for Sarnia (Mr. Blundy) and second, ballot item six, standing in the name of the member for Hamilton East (Mr. Mackenzie). In the evening we will debate the reports from the standing resources development committee on sections concerning acid rain and Inco emissions.

On Friday, November 16, the House will consider in committee of supply the estimates of the Ministry of Revenue.

The House recessed at 5:55 p.m.

APPENDIX

(See page 4298.)

ANSWERS TO QUESTIONS ON NOTICE PAPER

WINTARIO GRANTS

321. **Mr. Breaugh:** Would the Minister of Culture and Recreation table a yearly breakdown of all Wintario grants approved and all Wintario grants paid out in the riding of Oshawa since Wintario's inception, by organization, amount of money per organization, and purpose of the grant? (Tabled October 18, 1979.)

Hon. Mr. Baetz: The attached data has been compiled from the Wintario grants information system. However, since this system just began in February 1978 only certain information is available from it.

These printed reports of projects in the riding of Oshawa are based on all Wintario applications that were still in process on February 1, 1978, plus all Wintario applications which have been received by the ministry since February 1, 1978, and were approved and/or paid to the date of the reports. The archive reports are separated by fiscal year according to the date the application was received in the ministry. Each report is sorted alphabetically by the name of the applicant.

All applications which were completed (i.e., fully paid, rejected or withdrawn) prior to February 1, 1978, are not in this system and we are unable to compile that information manually.

Applicant Name	File No.	Project Description	Amount Approved	Amount Paid	Date Received
Oshawa Coll Ladies Basketball	SPO7890802	OABA Sr Championship	220	220	03:12:79
Club Canada Francais d'Oshawa	CAP7717986	Community playground	12905	11057	10:05:77
Donevan High School	SPO7915390	OFSAA Badminton Championships	48	48	07:13:79
Durham Shoestring Performers	PET7862502	Lighting system	1970	1970	02:08:79
Fed Des Femmes Cdn/Fr Oshawa	PET7862044	French information book	3039	3039	04:27:78
French Immersion Parents Assn	PET7862529	Buy books	199	199	03:14:79
Horseless Carriagemen Chorus	PET7862266	Purchase uniforms	3072	3072	09:08:78
Information Oshawa	MUL7714048	To purchase Gestetner	783	783	01:26:78
Judo Ontario S.E. Region	SPO7915057	Prov. Champs/Peterborough	366	366	04:05:79
Lacrosse Oshawa	PET7862173	Equipment Junior A Lacrosse	1424	1424	06:22:78
Lacrosse Oshawa	PET7862174	Develop package	6647	6647	06:22:78
Loreley Youth Folk Dancers	PET7962004	Costumes	3600	3600	04:06:79
Matthew Maureen	PET7862287	Attend OMA conference	21	21	10:06:78
Mr. Submarine Ball Hockey Team	PET7962108	Tournament, Montreal	207	0	05:15:79
Musikids Oshawa Inc.	PET7862213	Create Jr Wind Symphony	16950	7445	07:12:78
Oshawa Art Assn	PET7962071	Book project	325	325	06:13:79
Oshawa Italian Rec Club 1970	PET7862105	Renovations to club	3986	0	05:01:78
Oshawa Minor Lacrosse	SPO7915684	Ontario Midget championships	441	441	07:11:79
Oshawa Merchants Fastball	PET7762020	Invitational tournament	1500	1500	01:24:78
Oshawa Neighbourhood Assn	PET7862264	Purchase crests	1696	1696	09:01:78
Oshawa Pineridge Oldtimers	PET7862379	Invitational tournament	280	280	12:19:78
Oshawa Shamrock Minor Softball	PET7862033	Equipment	1503	1503	04:25:78
Oshawa Shamrock Minor Softball	PET7862135	Tournament—Midget girls team	125	125	06:07:78
Oshawa Symphony Assn	PET7862232	Purchase portable arts equipment	2892	0	07:19:78
Oshawa, City of	PET7862051	Renovate Memorial Park	15000	0	05:03:78
Oshawa, Corp City of	PET7862237	Landscaping park	33153	0	07:31:78
Oshawa/Dist Ladies Softball	PET7962051	Equipment	875	875	05:16:79
RCL Br 43 Oshawa Pipe Band	PET7762024	Convention in Edmonton	4000	4000	12:23:77
Robert McLaughlin Gallery	ART7710223	Publish a catalogue	5000	0	08:19:77
Royal Trust Bruins	PET7762035	Hockey tournament	240	240	12:22:77
SE Ontario Reg of Judo	PET7862145	Buy medals/chains	3549	3549	06:15:78
Scouts Oshawa 39th Group	PET7862530	Purchase equipment	546	546	03:14:79
Scouts, Oshawa 23rd	PET7962014	Jamboree, Manitoba	435	435	04:11:79
			126997	55406	

Applicant Name	File No.	Project Description	Amount Approved	Amount Paid	Date Received
Audrey C. MacLean	ART7710170	Attend Schneider School of A	54	54	07:04:77
Oshawa Curling Club	CAP7617314	Ministry of Labour—Repairs	150335	150335	10:14:76
Oshawa Dep Recreation Div	SPO7715368	Fitness equipment	4740	4740	11:21:77
Oshawa Little Theatre	CAP7517053	Buy/rent	55121	55121	01:21:76
Oshawa Public Library Board	CAP7517014	Increase Lib by 25000 sq ft	556666	556666	12:04:75
Oshawa, City of	CAP7717693	Dev Harmony Creek bikeway	30000	30000	06:07:77
Robert McLaughlin Gallery	ART7710031	Acquisition of works of art	20825	20825	10:07:77
Walter Joisten	ART7710238	Career development	46	46	10:09:77
			817787	817787	

Applicant Name	File No.	Project Description	Amount Approved	Amount Paid	Date Received
Can Forester Ont Curling	SPO7815076	Curling Championships	956	956	02:24:78
Cardiac Rehabilitation Organization	PET7862099	Purchase exercise equipment	15594	15594	05:25:78
Citi-Car Blackhawks Hockey	PET7862522	Tournament	312	312	03:09:79
Courtice Home/School Assn	PET7862014	Creative playground	1000	1000	04:12:78
General Motors Pipe Band	PET7862121	Attend European competitions	5000	5000	06:01:78
Judo Ont/S Eastern Region	SPO7815054	Championship travel	418	418	03:31:78
Knocker Paving Oldtimers	PET7862338	Invitational hockey tournament	1735	1735	11:30:78
Loreley Singers	PET7862326	Uniforms	2185	2185	11:22:78
Mister Transmission Hockey	PET7862492	Tournament—Sudbury	120	120	02:02:79
Ont Fly and Bait Casting Assn	SPO7815097	Championships Stockholm	3264	3264	04:05:78
Oshawa Choral Society	PET7862468	Costumes/sets	609	609	01:11:79
Oshawa Camera Club	PET7862470	Projector/lens/slide tray	149	149	01:11:79
Oshawa Dist Ladies Softball	PET7862245	Trophies	253	253	08:08:78
Oshawa Dines P/W Hockey Team	PET7862318	Invitational tournament	1610	1610	10:30:78
Oshawa Field Lacrosse	PET7862177	Equipment/training	1802	1802	06:22:78
Oshawa Flying Club	PET7862250	Two aircraft	27127	27127	08:24:78
Oshawa Gemini Gymnastic Club	PET7862052	Gymnastic equipment	5806	5806	05:05:78
Oshawa Handi Transit	PET7862042	Base station, 3 mobile radios	2492	2492	04:28:78
Oshawa Kinsmen Camaros Corps	PET7862196	Invitational tournament	350	350	06:29:78
Oshawa Ladies Basketball	SPO7815107	Tournament—North Bay	161	161	04:07:78

Applicant Name	File No.	Project Description	Amount Approved	Amount Paid	Date Received
Oshawa Parkway TV Hockey	PET7862500	Tournament—Hull	401	401	02:05:79
Oshawa Ringette Assoc	SPO7815105	Championship—Ottawa	1235	1235	04:07:78
Oshawa Rangers Atoms	PET7862053	Travel Soccer Festival	313	313	05:05:78
Oshawa Shamrock Minor Softball	PET7862133	Transport Novice Team/Tourn	125	125	06:07:78
Oshawa Shamrock Minor Softball	PET7862134	Transport Bant Team/Tourn	125	125	06:07:78
Oshawa Shamrock Minor Softball	PET7862141	Midget Invitational Tournament	65	65	06:14:78
Oshawa Shamrock Minor Softball	PET7862142	Invitational Tournament	66	66	06:14:78
Oshawa Shamrock Minor Softball	PET7862165	Invitational Tournament	50	50	06:20:78
Oshawa Shamrock Minor Softball	PET7862166	P/W Boys Team—Tournament	50	50	06:20:78
Oshawa Symphony Association	PET7862172	ACO Conference	149	149	06:22:78
Oshawa Symphony Association	PET7862232	Arts equipment	2892	2892	07:19:78
Oshawa Steve's Steakhouse	PET7862327	Invitational hockey tournament	252	252	11:21:78
Oshawa Soccer Club League	PET7862483	Buy equipment	3595	3595	01:23:79
Oshawa Turul Minor Sports	PET7862019	International soccer tournament	745	745	04:13:78
Oshawa Villa Sports P/W Hockey	PET7862469	Invitational hockey tournament	459	459	01:11:79
Oshawa/Dist Youth Soccer Assn	PET7862122	Buy crests/medals	1033	1033	06:01:78
Polish Cdn Comm of Oshawa	PET7862098	Buy slide projector screen	336	336	05:25:78
Southeast Ontario Reg Judo	PET7862194	Invitational tournament	509	509	06:27:78
Stark, James	PET7862077	View camera workshop	107	107	05:17:78
Walker, Samuel J.	PET7862200	International Kata Champs	50	50	07:04:78
			83500	83500	

Applicant Name	File No.	Project Description	Amount Approved	Amount Paid	Date Received
Oshawa Turul Youth Soccer	PET7962070	Invitational Tournament	2731	2731	06:13:79
			2731	2731	

FEE-FOR-SERVICE PAYMENTS

324. Mr. Breaugh: Would the Minister of Health table, according to payment per fee-for-service physician by specialty for physicians earning more than $20,000 in payments for the years 1972-3, 1973-4, 1974-5, 1975-6, 1977-8, the average total payment per specialty for the following specialties: general practice, internal medicine, neurology, psychiatry paediatrics, dermatology, other physical medical specialties, general surgery, thoracic and cardiovascular surgery, urology, orthopaedic surgery, plastic surgery, neurosurgery, ophthalmology, otolaryngology, obstetrics and gynaecology, and anaesthesia? Would the minister indicate why Ontario has previously refused to allow this information to be published in the Department of Health and Welfare's statistical supplement to the annual report? (Tabled October 19, 1979.)

Hon. Mr. Timbrell: The average gross plan payment for fee-for-service physicians by specialty for physicians in Ontario earning more than $20,000 in payments for 1974 through 1978 is shown in table A attached. The average gross incomes reflected in this data are based on the services rendered during the period as opposed to cash payments, and exclude payments for laboratory services.

Statistics for the calendar years 1972 and 1973 for physicians only are not available.

As the data contained in the proposed National Health and Welfare statistical supplement reflected a combination of service and cash payments made by provincial plans and certain specialty regrouping was also proposed, it was felt that such a publication would be open to considerable misinterpretation particularly during any negotiating process. Various federal/provincial working parties now exist in order to streamline and standardize future reporting mechanisms.

TABLE A

AVERAGE GROSS PLAN PAYMENT PER PHYSICIAN WITH PLAN PAYMENTS ABOVE $20,000 EXCLUDING LABORATORY PAYMENTS

Specialty	1974 Average Payment	1975 Average Payment	1976 Average Payment	1977 Average Payment	1978 Average Payment
General Practice	51.5	54.3	57.1	61.8	66.0
General Surgery	65.2	70.9	72.0	77.8	83.3
Internal Medicine	62.7	66.2	68.6	74.9	81.5
Obstetrics and Gynaecology	71.9	74.9	78.2	85.0	90.7
Paediatrics	60.4	62.6	66.2	70.6	75.4
Orthopaedic Surgery	76.8	81.4	87.2	93.3	98.2
Otolaryngology	86.4	90.2	93.6	97.5	106.4
Urology	70.6	75.8	78.3	86.4	93.9
Anaesthesia	51.0	54.6	56.4	61.4	64.5
Neurology	64.2	66.7	71.4	77.3	83.1
Psychiatry	48.6	51.4	52.7	55.1	57.5
Ophthalmology	78.2	84.2	90.7	96.1	101.3
Dermatology	73.1	79.9	87.1	92.3	98.5
Neurosurgery	65.6	67.0	71.0	74.4	82.2
Plastic Surgery	63.4	68.5	71.7	80.1	87.1
Thoracic Surgery	88.6	97.0	93.4	105.3	103.1
Physical Medicine	46.4	50.9	52.8	53.5	62.1

Note: This data covers gross plan payments for insured services, and does not take into account expenses of practice which may vary considerably from specialty to specialty.

SPLAKE PROGRAM

327. Mr. Foulds: Will the ministry list the amounts spent annually on the splake program since its inception? Will the ministry break down the expenditures into the amounts spent on research, salaries and stocking? Will the ministry total the amount in each category as well as the total overall amount spent? (Tabled October 25, 1979.)

Hon. Mr. Auld: Because of the complexity of the question, we will require additional time for the preparation of the answer. The final answer will be ready on or before November 13.

ASBESTOS IN SCHOOLS

329. Mr. Ziemba: Will the minister list all schools with asbestos fireproofing indicating the condition of the asbestos? (Tabled October 26, 1979.)

Hon. Miss Stephenson: I presume that the question refers to the survey presently being conducted by the Ministries of Education and Colleges and Universities regarding the presence of possible hazardous asbestos products in schools.

The information that we have received to date does not confirm conclusively the presence of hazardous asbestos fireproofing materials. Where some form of sprayed material that may or may not contain asbestos fibre has been used, it is our intention to have this material sampled and analysed. The procedures for this are now completed and will be issued to school boards, colleges and universities.

Because of the tremendous variety of materials used and the methods of installation, the present uncertainty regarding the content of the materials, and the difficulty in determining the actual condition in each individual case, it is impractical to list each school with a description of the material. However, I will report periodically to the House on the progress of this program.

CONTENTS

Thursday, November 8, 1979

Funding of homes for retarded children, statement by Mr. Norton 4285

Point of privilege re Barrie jail, Mr. G. Taylor 4286

Dryden pulp and paper operations, questions of Mr. F. S. Miller and Mr. Auld: Mr. S. Smith, Mr. Foulds, Mr. T. P. Reid 4286

Seaton development, questions of Mr. Davis: Mr. S. Smith, Mr. Breaugh 4288

Dryden pulp and paper operations, questions of Mr. F. S. Miller: Mr. Foulds, Mr. Kerrio, Mr. Renwick 4289

Art Gallery of Ontario, questions of Mr. Elgie: Mr. Foulds, Mr. Mackenzie, Mr. T. P. Reid 4290

Insider trading, question of Mr. Drea: Mr. Breithaupt 4291

Acid rain, questions of Mr. Auld: Mr. Conway 4292

Gas and oil supplies, questions of Mr. Welch: Ms. Gigantes, Mr. Sargent 4292

McDonald Lawrence Seales, questions of Mrs. Birch and Mr. Timbrell: Mr. Van Horne 4293

Lotteries, questions of Mr. Baetz: Mr. G. Taylor, Mr. Bradley 4294

Psychological testing, questions of Miss Stephenson: Mr. Sweeney 4295

Bed utilization study, questions of Mr. Timbrell: Mr. Cooke, Mr. Mancini 4295

Visit of US President, questions of Mr. Wells: Mr. Renwick, Mr. di Santo 4296

Assistance to small business, questions of Mr. Grossman: Mr. McKessock 4296

Labour relations, question of Mr. Elgie: Ms. Bryden 4297

Report, standing statutory instruments committee, Mr. Williams 4297

Report, standing general government committee, Mr. McCaffrey 4297

Report, standing social development committee, Mr. Kerrio 4297

Motion re committee meetings, Mr. Wells, agreed to 4297

Remembrance Day Act, Mr. Sterling, first reading 4298

Health Insurance Amendment Act, Bill 168, Mr. Lawlor, first reading 4298

Health Insurance Amendment Act, Bill 169, Mr. Breaugh, first reading 4298

Tabling answers to questions 321, 324, 327 and 329 on Notice Paper, Mr. Wells 4298

Private members' public business on second reading of Bill 102, Children's Rights Act: Mr. McClellan, Mr. Norton, Mr. Blundy, Mr. R. F. Johnston, Mr. Sterling, Mr. Stong, Mr. Renwick, Mr. McGuigan 4298

On resolution 34 re nuclear plant safety: Mr. Cureatz, Mr. J. Reed, Mr. MacDonald, Mr. Ashe, Mr. Nixon, Mr. Breaugh, Mr. Hennessy, Mr. Mackenzie 4311

Resolution 34 concurred in 4324

Business of the House, Mr. Wells 4324

Recess 4325

Appendix: Answers to questions on Notice Paper 4325

Wintario grants, question of Mr. Baetz: Mr. Breaugh 4326

Fee-for-service payments, questions of Mr. Timbrell: Mr. Breaugh 4329

Splake program, questions of Mr. Auld: Mr. Foulds 4329

Asbestos in schools, question of Miss Stephenson: Mr. Ziemba 4330

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Auld, Hon. J. A. C.; Minister of Natural Resources (Leeds PC)
Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
Blundy, P. (Sarnia L)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Bryden, M. (Beaches-Woodbine NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cureatz, S. (Durham East PC)
Davis, Hon. W. G.; Premier (Brampton PC)
di Santo, O. (Downsview NDP)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J. (Victoria-Haliburton L)
Edighoffer, H.; Deputy Speaker (Perth L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Foulds, J. F. (Port Arthur NDP)
Gigantes, E. (Carleton East NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Hennessy, M. (Fort William PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. (Niagara Falls L)
Lawlor, P. D. (Lakeshore NDP)
MacBeth, J. P.; Acting Speaker (Humber PC)
MacDonald, D. C. (York South NDP)
Mackenzie, R. (Hamilton East NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
McGuigan, J. (Kent-Elgin L)
McKessock, R. (Grey L)
Miller, Hon. F. S.; Treasurer, Minister of Economics (Muskoka PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
O'Neil, H. (Quinte L)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Ruston, R. F. (Essex North L)
Sargent, E. (Grey-Bruce L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Sterling, N. W. (Carleton-Grenville PC)
Stong, A. (York Centre L)
Sweeney, J. (Kitchener-Wilmot L)
Taylor, G. (Simcoe Centre PC)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Van Horne, R. (London North L)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Ziemba, E. (High Park-Swansea NDP)



No. 104

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, November 8, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

STANDING RESOURCES DEVELOPMENT COMMITTEE (concluded)

Resumption of the adjourned debate on the motion for adoption of the report of the standing resources development committee on the Pickering B generating station steam generators supplied to Ontario Hydro by Babcock and Wilcox (Canada) Limited and the addendum thereto.

Mr. Villeneuve: Mr. Speaker, it is a privilege for me to review with the members of this House the report of the standing resources development committee on Ontario Hydro Pickering B steam generators.

Members will recall that the committee's principal concern over the past few months has been the settlement of issues arising from defects in 37 boilers at the Pickering B nuclear station. It was discovered that there were defects or flaws in the boilers, which in fact meant that they had to be replaced at the expense of Ontario Hydro, and therefore to the consumers of Ontario, or the manufacturer, Babcock and Wilcox of Cambridge, Ontario.

The steam generators are a major component of a nuclear generating station. These boilers are some 48 feet in length, weigh 100 tons, and have 2,600 half-inch tubes within. The report contains a detailed description of these generators and their operation. It also gives details about what went wrong.

Basically, three factors led to the damage to the boilers. The first was the use of component metals with what turned out to be incompatible heat expansion factors. The second factor was certain design modifications in the support brackets. The third factor that gave rise to this unfortunate situation was the type of heat treatment process used by Babcock and Wilcox in manufacuring the boilers.

I would like to take this opportunity to thank each and every member who served on the committee. I was very impressed by the extent to which members were able to rise above partisan concerns. After a thorough examination of the complicated situation, members were able to reach fairly swift agreement on what I consider to be a good set of recommendations.

Our first task was to sort out and define the issues we had to deal with. With the very capable help of committee counsel, we were able to sort out an agenda of 35 questions in 10 categories. These ranged from concerns about the cost and responsibility for it, to questions of a more general nature on public safety and the public interest. The list of these questions forms the introduction to our report.

We proceeded to seek answers to all these concerns. We heard evidence from some 24 witnesses and we reviewed a wide range of relevant documentation. In most respects, we were fortunate to have excellent cooperation from those whose knowledge and views we sought. We experienced some delay in one area. We had to wait for information regarding out-of-province contract settlements which were under way as we met. These concerned Hydro Quebec nuclear facilities and also a Candu facility in Argentina where similar problems had occurred but are now settled.

The committee found a number of possible errors in judgement in the procurement procedure. We discuss this in the report. We agreed that the long-range benefits of competitive tendering outweigh any short-range benefits which may flow from the negotiation process within a repeat concept. In other words, we feel that each new project ought to be tendered on its own. We recommend in the report that, "competitive tendering ought not to be replaced with negotiation except perhaps in the most unusual circumstances." We further recommend that Hydro conduct its business affairs such that more than one supplier is available to tender competitively."

I don't want to take the time of the House by going over the report's recommendations in detail, but it might be worth while to highlight certain convictions on the part of the committee. We all feel that a basic reason for this problematic situation was that Ontario Hydro placed too great a dependence on a single supplier, a situation which we feel should not arise again.

There are, I know, good reasons for this decision, but committee members seriously questioned the overall judgement of Hydro management in allowing such a dependence to form. Negotiations for the financial settlement were going on as the committee met and formed an important part of our program for consideration. Babcock and Wilcox eventually advanced a proposition which ultimately formed the basis for settlement.

I must commend the work of committee counsel, Mr. Barry Wortzman and his assistant. They worked very diligently at reviewing great quantities of information on the financial and other aspects of the deal. Also, they very competently screened information on the confidential material for the committee's consideration.

In general, I think I speak for all or most of the members of the committee when I say that, all in all, the matter has been settled in a responsible and generally satisfactory manner.

In our report we quite clearly discuss some management decisions and policies in effect that Ontario Hydro and other firms involve, which we feel are to some degree questionable from the point of view of the public we serve, but overall I do not wish to give the impression we consider Hydro management or engineering staff to be incompetent or irresponsible.

There is one area, though, which I do want to bring to the attention of the House. That is the matter of the quantity and quality of information that Ontario Hydro has been in the habit of giving to the Minister of Energy and officials of his ministry as it relates to the Pickering B problem.

Ontario Hydro is part of this government. It is not a satisfactory situation in any way that this whole matter had to come to light by means of a news report that was leaked to the press. This is profoundly disturbing. It was only last March when Hydro officials realized that the Pickering B problem was about to become public knowledge that they initiated action to give the minister and his staff the required information.

The mechanisms within Hydro for provision of information to the minister and his staff must be improved. This means, too, that the information given by Hydro's technical staff to its corporate relations branch must be accurate and complete. The report contains a number of recommendations in this area.

At the moment the settlement between Hydro and Babcock and Wilcox is finalized. I have received confirmation also that the settlement with Quebec Hydro and Argentina has been finalized.

Thank you, Mr. Speaker.

Mr. Bradley: Mr. Speaker, back in the late spring and early summer of this year, members of the official opposition, 20 in number, followed the procedure which enabled this item to be referred to the resources development committee for its consideration and for investigation. Subsequently a counsel was hired to assist members of the committee to deal with what we felt at the time was an extremely important matter, a matter of great financial consequence to Hydro customers, those who pay its rates in the province of Ontario.

We encountered at the very beginning some initial resistance. However, when members of the committee recognized there was a determination on the part of the majority of the members of the committee to deal with this matter, and when members of the committee recognized its importance, not only in terms of assessing the past but of looking at the potential action that would take place in the future on the part of Ontario Hydro and on the part of the government and this Legislature as it relates to Ontario Hydro, there was an acquiescence to having this matter dealt with, and dealt with in a very meaningful and thorough way by the committee.

We looked at various aspects of the problem and brought before us various witnesses. One of the initial conclusions, which I think we came to rather unanimously, was the fact that those who pay Hydro rates in Ontario needn't have been put to the expense to which they are going to be if officials of Ontario Hydro, in conjunction with the officials of Babcock and Wilcox (Canada) Limited, had come to the conclusion as early as November, 1977 that a problem existed with the post-weld heat treatment process. If it had been concluded this was the main problem, and if officials were willing to consider that seriously as being the problem, Ontario Hydro customers would not have been put to the expense they were.

[8:15]

As we know from the subsequent deal that was signed between Babcock and Wilcox and Ontario Hydro, $10 million in direct costs will be assumed by Ontario Hydro. There was justification made for that in various ways, and I won't go into the details, but what it really amounted to was justification for bailing out B and W on this. Few people would contradict that, I think; they just put

statements beside numbers and justified it in that way.

We also recognize that as a consequence of these boilers not being in operation, and therefore the Pickering B nuclear plant not being in operation, that some $351 million of consequential loss will be accepted and paid for by the Hydro customers in the province of Ontario. This, of course, is a matter which we in the official opposition feel is catastrophic, a term which was used on one or two occasions. I am sure this view is shared by many on the government side.

Out of this came some pretty reasonable recommendations, and most of those recommendations were accepted unanimously by members of the committee, albeit after some considerable debate.

While I am on my feet, I should commend as well one particular member who I think faced a difficult time, and that is the former Minister of Energy (Mr. J. A. Taylor), who sat on the committee and brought to it a good deal of expertise. I thought he was rather frank in his assessment of the problem, and rather penetrating in his questioning, being one who has had the experience of having to deal with Ontario Hydro and answer in this House for the transgressions or otherwise of that utility.

It is obvious by now, and it did not happen in three major cases, that competitive tendering has been seen now as the best possible method of proceeding when dealing with contracts of this kind. Members of the House will recall that in the case of the Bruce A nuclear generating station, and subsequently we get into Bruce B, but in the Bruce A case there was competitive tendering. The lowest tender was not accepted, even though recommended by the Hydro board and by AECL. Instead, the tender of Babcock and Wilcox was accepted, though it was not the lowest. This was the first step in not accepting lowest tenders.

In the case of the Bruce B plant and the Pickering B plant, it was determined by Hydro officials that it would be best to negotiate this contract with Babcock and Wilcox because they were dealing essentially with what was a duplicate plant. I think most members of the committee recognize that with the advancement in technology in a period of 10 years, it was difficult to countenance that you could have a duplicate of one plant 10 years after the other plant had been built. Therefore, members of the committee rejected this as being a reasonable way of proceeding, that is by the negotiated contract.

Certainly those around the province of Ontario involved with competing companies would feel left out of the process because, indeed, on a public tender they would have had the opportunity to compete for contracts in multi-million dollar categories. They were prevented from doing so because of the negotiation process in two cases, and because of the fact the lowest tender was not accepted in the other case.

The recommendation that attracted many members of the committee stated that, "Relative to the procurement of major equipment Hydro should employ competitive tendering except perhaps in the most unusual circumstances," and we considered those not to be unusual circumstances; further that, "Hydro should conduct its business affairs such that more than one supplier is available to tender competitively; and (iii) at the very least, Hydro should require such suppliers to provide a performance bond."

I know other members of the committee will no doubt want to address themselves to the latter point, because a performance bond was not required in the case of the Pickering B plant, although Hydro Quebec did ask for and receive a performance bond in the case of Gentilly.

A second recommendation which was particularly attractive to members of the committee stated, "Hydro never again expose itself to the substantial risks and potentially harmful repercussions flowing from an unhealthy and unwise dependence upon one supplier."

It would be difficult to conclude anything other than the fact one supplier was treated with a good deal of favouritism by Ontario Hydro. Whether that was because, as some stated, it was necessary to keep at least one supplier afloat and therefore it was necessary to assign to that supplier the lion's share, or indeed almost all of the contracts, whether that was justification or not most would conclude indeed it was not and that it is something that should not be repeated.

Some concern has been expressed about one of the other recommendations which said that prior to the award of contracts for procurement of major equipment, senior Hydro management should fully inform the Minister of Energy of all particulars relating thereto. In the fourth was that, "Prior to the establishment of any policy formulation which is expected to involve substantial expenditure of public funds or which otherwise is expected to significantly impact the public, senior Hydro management should fully inform the Minister of Energy of all particulars relating thereto."

Obviously it was the feeling of the majority of the members of the committee, that Ontario Hydro in effect was out of control and might still be considered to be out of control in terms of the kind of authority this Legislature should have over its affairs. Indeed, as the chairman of the committee has stated, a good deal of concern was expressed over the fact the Minister of Energy was not informed, as he should have been, of all of the things going on, and therefore he was unable to put a stop to some of the practices members of the committee thought should have been halted in their tracks.

Another matter we considered very seriously was the subsidization of any supplier. Again it was the conclusion of the members of the committee that it is not the responsibility of the Hydro rate-payers and the taxpayers of the province of Ontario to keep a particular company afloat, in this case Babcock and Wilcox (Canada) Limited.

Some of course argued very strongly against a crown corporation, because they feel government should be kept out of matters of this kind. Yet, in effect, Babcock and Wilcox was a company which enjoyed all the advantages of being a crown corporation without having government ownership at the same time.

Mr. M. Davidson: You are reaching for that one.

Mr. Bradley: The fact the final deal struck between Ontario Hydro and Babcock and Wilcox provided them with such favourable terms, including the provision for having Babcock and Wilcox (US) provide the tubing —over $20 million worth of tubing, I believe. even though they hadn't provided this kind of tubing before; and even though there is a Canadian competitor, Noranda, which could provide that tubing—that certainly indicates once again that Hydro, in this case probably out of necessity, was in the position of showing considerable benevolence towards Babcock and Wilcox.

We've reached a stage in the province of Ontario where there is an extremely unhealthy dependence on this one particular company and that dependence has been brought about because of the policies of Ontario Hydro. When I look at some of the recommendations made to Ontario Hydro, I go first of all back to the Bruce A situation, where in the report it tells us both AECL and Hydro staff recommended to the Hydro commission, as it was then known, that the contract be awarded to MLW on the twofold premise that it had the lowest tendered price as well as the lowest evaluated price, and that its anticipated performance would be superior to that of B and W. There was a report by AECL on B and W, and this was provided to the staff of Ontario Hydro on January 30, 1970. It says the following:

"Power projects have recommended supply by B and W of three important reactor components and a large number of less significant components; the Gentilly steam drums, the Pickering boilers, the reactor headers for Pickering 3 and 4. All of these three orders have come upon significant difficulty. Delivery has been late, quality has been questioned and the engineering effort to assure design adequacy and to expedite production has been substantial.

"B and W display an attitude of indifference to the customer's preference which is not in keeping with their own performance, in our experience. Throughout our dealings with them, truculence and intransigence are the rule.

"The promise and the hope, in dealing with B and W, is that their production and quality control methods, supposedly sharpened and refined by extensive US nuclear experience, would yield excellent design and prompt delivery. That is not true. Whatever B and W in Galt have received from B and W in the US, expertise and management is not notably present. In the field of technical assistance also it is surprising that the Canadian operation works largely without assistance from or reference to US technology. In the area of welding, wherein B and W in the US have some of the finest facilities and the broadest experience available anywhere, B and W in Galt get into serious trouble again and again and in every case they seem to have to get themselves out of it—at considerable cost in time."

The committee goes on to conclude that: "The AECL comments were tragically prophetic of what in fact occurred subsequently with respect to Pickering B; further, AECL did note in its report that, "We see no disadvantage to MLW in the areas of management competence and technical expertise."

Now, included in the report dealing with the whole matter of tendering, once again in the middle of the report, it states that the report, "further recommends that Hydro conduct its business affairs such that more than one supplier is available to tender competitively." This is all flowing out of the reports and the experiences that have been had by the Ontario Hydro in its dealing with B and W.

Further to that, we find out that B and W —and because the information was given in camera we are not in a position of quoting precise figures—but "the anticipated gross profit margin on Pickering B, of B and W, was significantly greater that its anticipated gross profit margin in Gentilly 2.

"Furthermore, B and W's anticipated gross profit margin on tendered Hydro steam generator contracts were significantly less than its anticipated gross profit margins on negotiated Hydro steam generator contracts," which gives us an idea, even though there was some confusing evidence presented to the committee, that their anticipated profits are always higher when they don't have to subject themselves to competitive tendering. Of course, we know once again that they had that particular favoured position in terms of getting the contracts.

Further in the report, it goes on to say that: "B and W's failure to draw upon its US parent's expertise is to be condemned, a concern noted earlier by AECL when it recommended that the Bruce A steam generator contract be awarded to MLW and not to B and W. Another Canadian steam generator manufacturer appears to have successfully employed a full-vessel circulating gas heat treatment process on the AECL Korean project; and yet another Canadian steam generator manufacturer testified that it has been his policy not to perform full-vessel heat treatment since approximately 1970."

[8:30]

Despite this fact, despite the fact that it has not what one would call a glowing record in terms of its past performance, despite the fact that it will have to carry out a tremendous number of repairs, not only here in the province of Ontario but also in New Brunswick, Quebec and in Argentina; and despite the fact that its financial position is obviously going to be adversely affected by the fact that it has had to sign an agreement with Ontario Hydro and AECL and Hydro Quebec for fixing the boilers that I have mentioned in Ontario and in other jurisdictions, we have a situation now where in the Darlington contract, which was by public tender, Babcock and Wilcox (Canada) Limited, is going to be allowed to proceed with that contract.

This leads some to believe that this might have been a silent part of the deal. We have, I guess, a written part of the deal between Ontario Hydro and Babcock and Wilcox, but one could draw the conclusion, particularly when one looks on page 23 of the report, when the president of B and W (US), who is also the vice-chairman of J. Ray McDermott Incorporated, is recorded as having stated, "he was concerned that B and W (Canada) Limited might be blackballed by Hydro."

How would one assure the president of B and W (US) that it would not be blackballed? One could do it, of course, by assuring that the Darlington contract would remain in the hands of B and W, regardless of what has transpired. Therefore, there is a great concern about that.

In light of these things and in light of the statement that it is obvious that the problems we have had are the result of Ontario Hydro's "unhealthy and unwise dependence upon one supplier," a circumstance which the committee recommends ought never to occur again; despite all of these facts, we face a situation now where this one company, which has not proven to be as reliable as most in this province would have hoped, is going to be once again given a contract.

We in the official opposition are very concerned about this. We think the circumstances have changed. We think the record as it stands with Babcock and Wilcox at the present time is such that a new look is required in terms of the Darlington contract. Therefore, I am going to propose an amendment to the motion.

Mr. Deputy Speaker: Mr. Bradley moves that the following words be added to the motion to adopt the report of the standing resources development committee:

"And, further, the legislative assembly recommends, in light of Babcock and Wilcox (Canada) Limited's poor performance in respect of the boiler supply to the Pickering B and Bruce A generating stations, that Hydro's contract with Babcock and Wilcox for the supply of boilers to the Darlington generating station be reopened with a view to implementing forthwith recommendation B of the committee's first report, namely, that Hydro should never again expose itself and the public of Ontario to the substantial risks and potentially harmful repercussions flowing from an unhealthy and unwise dependence upon one supplier."

Mr. Bradley: Mr. Speaker, I've outlined in some detail the concern of members of the official opposition about this particular contract and about the fact that the company which has already experienced a lot of difficulties is going to receive this contract unless tendering is reopened.

The committee looked as well at the fact that when it came down to making a deal between Ontario Hydro and Babcock and Wilcox (Canada) Limited, Ontario Hydro was so committed to this particular company it

had to submit to a kind of blackmail perpetrated by negotiators for this company.

In other words, when Ontario Hydro suggested that B and W was totally responsible for the problems that existed and should be totally responsible for the repairs, the reply was that if B and W was forced to assume that kind of responsibility—first of all they denied it—it would close the doors of its Canadian plant. We have this threat being used against Ontario Hydro, so that not only because of one repair project at Pickering B but because of other outstanding contracts, in terms of I think, $200 million and other very essential and crucial contracts in terms of $100 million, Ontario Hydro could say little other than "uncle" when forced to the floor by the negotiators for B and W.

Therefore, we see this extremely unhealthy dependence showing up, in that not only are they the only company supposedly that was able to carry out the repairs in the first place, but secondly when they got into trouble they were almost able to dictate their own terms of settlement. As I have pointed out to members of the House those included not only the $10 million, which I call a gift, that Ontario Hydro in effect provided for assisting in the repair of the boilers, but also the $350 million in additional consequential costs that Ontario Hydro and its customers in Ontario assumed, as well as that rather lucrative contract for tubing.

Right along the line we noted that one company has been kept in business and that other suppliers, not only in the province of Ontario but also outside, have been prevented from being involved in the competitive tendering process and therefore from participating in what we consider to be the democratic process in the province of Ontario, particularly in light of the fact that two other companies located in Ontario have indicated they're able to carry out this kind of work.

Mr. Speaker, it was only after a good deal of thought and consideration this amendment was put to the House. We hope that all members of the House will recognize that, because of the past record it would be wise to reopen the tendering process. This does not preclude, of course, B and W from tendering, but it does allow for tendering in light of 1979 or early 1980 circumstances as opposed to those which existed back at the time of the original tender.

Other members of this party will be speaking on other aspects of this report, which we feel is an excellent one and which I was pleased to see was endorsed unanimously by all members of that committee.

Mr. Makarchuk: Mr. Speaker, I think after all that has been said and done in the committee, we have to bring this back into perspective in terms of how it all started or where the problem developed.

It all really started, one could say, with a sense of corporate greed. The company decided that by changing the heat treatment process from what was specified by Hydro it would manage to save something like $40,000. Members must understand the total contract was at the unescalated price at that time of something like $25 million. The price now is roughly $60 million, so $40,000 is very small peanuts indeed.

The company decided to go along with that and Hydro agreed to it, which brings into question the whole supervisory capacity of Hydro. For the information of the House, I will explain what in effect the company intended to do. Ordinarily the tubing could have been treated individually. Where the tubes are bent and the bent areas are heated, the stress will be relieved in the bends. The tubes will be installed and there will be no problem.

However, in order to make the extra $40,000, Babcock and Wilcox decided to heat treat the tubing in the shell completely. As a result of that the problems developed.

It should also be noted that the problems developed because of different coefficients of expansion in the various metals used in the boilers. There is Inconel or Monel metal for the tubing, and ordinary plain carbon steel for the shell and for the broach plates supporting the tubing. Naturally, these metals expand at different rates.

The whole matter of heated metal expansion does not involve new technology; it is very simple technology. It is something any person who takes a welding course discovers, that he should take into account the fact that metals expand and move at different rates when they're heated. As a result, one has to be careful how one handles the metals. Certain procedures have to be taken into consideration to ensure there will be no problems.

In this case it boggles the mind. There was the engineering staff of Hydro, the engineering staff of Babcock and Wilcox of Canada, and the parent corporation in the United States, which we presume has hundreds of engineers. Yet nobody in all that time during the process of heat treatment took into consideration the fact that when the heat treatment was applied to the boilers there would be a difference in expansion rates which could harm the tubing. That's exactly what happened.

As was pointed out earlier, the parent firm in the United States had a considerable amount of experience in the area of building boilers. We would assume if the firm in Canada does not have the technology it will go to the parent firm. That's one of the advantages of a multinational, that it can draw on the technology; but in this case the Canadian company didn't even consult with the parent firm.

Hydro on its part had similar problems with Pickering A when heat treatment was involved with the boilers there. Despite the fact there were problems with Pickering A, Hydro readily agreed to go ahead with the new heat treatment process on Pickering B. To me that is just plain irresponsible, that's all it is, on the part of Hydro. After it had gone through an experience and knows this problem has happened before, it goes ahead and allows the company to do the process again. All, I may add, for a matter of $40,000, on something that right now could add up to about $1.4 billion.

It should also be noted, as was pointed out earlier by the member for St. Catharines (Mr. Bradley), Hydro prides itself on making good deals, getting proper costs and ensuring the consumers of Ontario are getting value for their money. Hydro Quebec was able to get a better deal on their boilers, on Gentilly 2 boilers, than what Hydro got from Babcock and Wilcox here in Ontario when they negotiated the contracts with that company.

[8:45]

Again it makes one wonder in whose interests does Ontario Hydro operate that they permit themselves to be conned, to be sucked in or whatever term you want to use, by a firm that has shown some sense of irresponsibility itself.

During the construction of the boilers, certain tests were done on the tubes. Some of the tubes had leaks in them and they decided to start testing them. They were using a method called an eddy current test, which consists of putting a probe to the tube and passing electromagnetic currents through and watching the results to see what kind of response they get, what echo comes out of the tubing. If the tubing is thinner or thicker in certain places or there are bumps, the electronic echo is different.

In the Pickering B situation, Hydro started testing the boilers. They found out there seemed to be problems, so they entered into negotiations with the company. The company said there was something the matter with Hydro's equipment. Hydro did not pursue this to any great extent. They felt there was a problem.

They packed their crew up, the crew that was testing the boilers at Cambridge; they took them away from there and hauled them off to Bruce to do some testing up there. In the meantime, the company, Babcock and Wilcox, continued to build boilers, continued to heat treat them in the same way, despite the fact that Hydro all along had very good suspicions that something was wrong; that something was not done properly and that possibly there were technical faults with the boilers. Nothing was done and the company continued to build the boilers. The crews that were supposed to be testing them were somewhere else.

In terms of Hydro's responsibility, they did not ensure an adequate supply of trained personnel with the proper equipment, to provide the necessary testing. Again, I'm not sure whether this was a matter of economy, but certainly in this case it is indicated that a matter of hiring four more people with equipment would not have been, probably, more than $100,000 a year or slightly more. For that amount of money we end up paying considerably more, something like $351 million.

In addition to that, Hydro committed itself to building the Pickering B station on the basis that boilers be available at a certain time. They had a timetable, a schedule, and part of that schedule was that the boilers should be available at a certain time. Hydro committed the financing, they borrowed the money, they committed themselves to paying the principal and the interest. The only way they would get the money back was to ensure that the station went into operation and the electricity was provided and sold.

This should have indicated to anybody with any sense of concern, that when you embark on a project where the chances are that you stand to lose the maximum amount should some of the suppliers not deliver the goods, what you ordinarily would do, common sense would dictate this to you, is ensure that your suppliers are providing the components for the project on time and the equipment is properly constructed and operational.

I can understand the company, Babcock and Wilcox. They basically were out to maximize their profits. That is all their function is; and they certainly went ahead with that process.

But I find it difficult to understand just what Hydro's function was in this situation. They handed out the contract and then pretty well gave the company a free hand, agreeing to just about every request to do what the company wanted. Once again comes the

question in whose interest was Hydro operating?

It seemed to be very lackadaisical. It was aware that there were faults developing. It noticed that when the probe was being passed through the tubing it used to get stuck in one particular area. It was something more than just coincidence that the probe would get stuck at the top broached plate. That would have indicated to anybody with any sense that somewhere, some place, something was wrong in the boilers. But, no, they just went ahead and built the damned boilers. They built them all.

When they got the last boiler built, they decided that they should perhaps look inside and see what the matter was. They cut open the last boiler and, lo and behold, the tubing was bent; the broached plates were bent; the shrouds were torn away; and the whole thing was a mess. The problem is that this same mess existed in boilers one, two, three and five. About boiler seven or eight, Hydro was aware that there was something wrong. But it wasn't until they got to boiler 34 or 35 that they opened it up and found out.

Mr. Kerrio: Number 32.

Mr. Makarchuk: Boiler number 32 was opened up and they decided they were right and that their suspicions were correct, but then the contract was completed. The boilers were there, so now they were going to have to start to solve the problem.

When they got to the matter of renegotiating, the only ace in the hole that Hydro really had was to take over the company because the company, in effect, said to Hydro, "If you don't like our deal, we'll pack up and go." It was a take-it-or-leave-it proposition. That's exactly what was said by the president of the parent corporation of Babcock and Wilcox.

The only alternative Hydro had at this time was not to bow and accept the blackmail, which it was. They had the choice of taking over the company and operating it. It's not such a difficult process. The figures that were given at the hearing was the company had a book value of only $15 million. We should understand that Hydro's own figuring indicated that if Babcock and Wilcox did the repairs, the total cost to Hydro would be $351 million. If Babcock and Wilcox didn't do the repairs, if somebody else had to do the repairs, the boilers would have to be rebuilt from scratch and the delay would have been another two or so years. Then the cost would have been something like $1.4 billion plus.

It should also be taken into account that at the same time Hydro had contracts of $200 million with Babcock and Wilcox. So when one looks at it in terms of straight economics, for $15 million Hydro was in a position not to accept the blackmail. Hydro was in a position to get into the boiler manufacturing business, and that is important. Canada would have been in a position to have another one of its own nuclear-component manufacturing plants where we would not have to be dependent on a foreign power, foreign personnel or foreign technology. We could do it ourselves and prove to the world that we could do it ourselves. This was possible.

Of course, Hydro said that was on the shelf. Like everything else in Hydro, it was on the shelf. The big thing that was on the shelf that comes out of this report is a sense of responsibility. That seemed to be on the shelf all along.

Anyway, the ideological blinders came out that private enterprise could not get involved in these kinds of things. The net result is that the consumers of Ontario will pay extra because of this. In a sense, it's almost like having our own Petrocan in having our own Hydro operating station. Joe Clark wants to sell Petrocan. The portion that makes money should be sold off and the portion that doesn't make money will be left to the taxpayers. In effect, Hydro is in that position right now. The money-making proposition, which is the boilers, is left in private hands, while the cost part, the plant and operation, is in the hands of the public, and that's the price they pay. In this case, they would have been in a position to take over some of the money-making proposition.

I should point out to the House, Mr. Speaker, that we tried to introduce a motion saying that Hydro should consider taking over Babcock and Wilcox. Of course, the motion was opposed by our Liberal and Tory friends who were on the committee.

Mr. Mancini: The member withdrew the motion; don't twist the facts.

Mr. Makarchuk: No, I didn't. Anyway, the motion was opposed.

During the course of the hearings, Mr. Speaker, we questioned the officials from Hydro to the effect that now, in view of the fact that they had made a mistake, that they were aware there was something wrong there, were they going to change the procedures, the internal procedures of Hydro. Were the board of governors concerned about this? We found out in the reply that, no, nothing had changed.

The board of governors, yes, they were concerned, but they were just telling us, "All we can do is salvage as much as we can out of the deal." And there is nothing at this time to indicate that some time in the future the friends of Bill Davis who run this operation are not going to impose a similar mistake on the consumers of hydro in Ontario.

We can go to another exercise of a similar nature, because Hydro, up to this point in time, has not changed and refuses to change its internal operations and the same things could recur. I would suggest to you, Mr. Speaker, and suggest to the Minister of Energy over there, that he should ged rid of the governors he has now because they haven't demonstrated their responsibility. They have not taken their jobs seriously. I don't know where he gets these hacks. He puts them on there, they sit there; I am not sure what they do.

Mr. Nixon: Are you talking about William Stewart that way?

Mr. Makarchuk: Yes, I am talking about various people. They sit there, they don't question the internal operations. They are told on occasion, "Yes, we have a problem." They don't go after the personnel who created the problem or who are responsible for the problem. They don't bother changing the procedures to ensure the problem doesn't happen again. The question that comes to mind is, "What do they do?" Do they have tea in the afternoon, or do they drink something stronger?

Mr. Worton: Not in the afternoon.

Mr. T. P. Reid: Not in the NDP caucus.

Mr. Makarchuk: I would suggest, Mr. Speaker, that when you look at some of the other boards—Ontario Place is another good example. I am digressing a little bit, but the board of governors there seem to have their tea in the afternoon; that place ran into all sorts of problems and I would suggest that we stop drinking tea and start getting rid of these governors.

When you put people on, put people there who have some sense of public responsibility, who perhaps may believe in the fact that public enterprise sometimes can perform certain functions in this society and therefore, should have some commitment to public enterprise. If you put your private enterprisers in there, possibly I can understand their reluctance to do anything more useful than fill a chair, and I am not sure that that is exactly useful.

Finally, Mr. Speaker, because of this lack of responsibility on the part of the board of directors of Hydro—friends of Bill Davis—the committee had no choice but to insist, as part of the recommendations from the committee, that Hydro should be made to appear before one of the standing committees of this Legislature at least once a year so we can ensure that this giant energy supply house is accountable to the public.

Ms. Gigantes: Mr. Speaker, on a point of personal privilege. I hate to interrupt my learned colleague, but I must call to his attention, remind him, as I am sure the Ministry of Energy would, that one of the members of the board of Ontario Hydro is much more a friend of mine personally than he is a friend of the Premier of this province, and that is Mr. Bill Dodge. I am sure the member for Brantford would want to be reminded of that.

Mr. Worton: What does he say about Bill Dodge?

[9:00]

Mr. Makarchuk: The friends of Bill Davis and the friend of Evelyn Gigantes have got to pull up their socks.

Mr. Deputy Speaker: Perhaps the honourable member would refer to members by their ridings or ministries.

Mr. Makarchuk: Whatever it is, I am not happy. I am not happy with what the board of governors of Ontario Hydro is doing.

Mr. S. Smith: Surely, any friend of the member for Carleton East is a friend of the member for Brantford.

Mr. Makarchuk: Not necessarily; it works the other way around as well.

Ms. Gigantes: That's correct.

Mr. Makarchuk: That is why we should make sure. We have a new Minister of Energy, who perhaps will be in a position to insist the information he is being fed is accurate, as opposed to what the previous minister was getting.

It was coming out in the report that the stuff he was being fed by Hydro was inaccurate. In reply to the Leader of the Opposition—what do they call that, male cow droppings or something like that—that was coming across the floor here? That was what was coming out of Hydro and we had to accept that as gospel truth.

I want to conclude, Mr. Speaker, in general, the amendment introduced is not really going to change the situation. Any other firm can pull off the same kind of stuff and become just as irresponsible if they are allowed to. If they are permitted to operate in a slipshod manner, they will operate in

a slipshod manner. If they are permitted to do things on their own without any supervision, they will operate without supervision. Changing horses in midstream is not necessarily improving the situation. I am not particularly enamoured of the amendment provided by the Liberal Party.

However, I want to stress to the minister it is about time he buckled down on what is essentially sloppy, loose, irresponsible brass and top brass in Ontario Hydro. I want to point out it was amply demonstrated in the evidence that was presented to this committee during the months of July and August that if they were on their toes, if they were watching what was going on, the Ontario consumers of hydro energy right now would not have to be paying something like a minimum of $351 million extra. That is not peanuts and that is one of the minister's responsibilities. I want the minister to make sure, now he has taken over this portfolio, that we don't have a recurrence of this situation.

Mr. Deputy Speaker: The member for Durham West.

An hon. member: Give a speech, don't read one.

Mr. Ashe: I am going to do some of both, just to make sure the members get the message.

It is indeed a pleasure to participate in this very important debate this evening. I think it is extremely important to put this whole issue into its proper perspective and really bring to the fore the issues before this Legislature this evening.

Before I deal with some of the issues arising out of the standing committee's report, I would sincerely like to commend the members of that committee for the undoubted hard work and the perseverance they put into their duties. They had to go through, distill and review an awful lot of verbiage, an awful number of reports and oral documentation which was presented to them during the course of their deliberations.

The committee's report clearly points out the scope and complexity of Ontario Hydro's procurement activities and the impact which Ontario Hydro's purchases have on their relatively small number—and I think this is important—of major equipment suppliers in Ontario and, in fact, the rest of Canada. The committee's report also underlines the risks faced by both the manufacturer and the purchaser of sophisticated equipment, when talking about equipment in which technical difficulties are bound to occur.

In reading the committee's report, members should keep in mind technical difficulties such as those which occurred with the Pickering B boilers, are not, indeed, a recent phenomenon. Nor is Ontario Hydro the only victim of this. Technical difficulties are bound to occur whenever and wherever new and sophisticated equipment and techniques are being developed and used. This was true in the past and I am sure it will continue to be true in the future, therefore it is something that must always be guarded against, at least to the extent possible.

I would like to begin my remarks specifically relating to the standing committee's report by stating that the government is not in a position to comment on the accuracy and completeness of the facts and conclusions contained in the report—and I think quite rightly. It is up to the Hydro board of directors to respond directly to the report and the suggestions and recommendations pertaining thereto. But the government generally supports the thrust of the committee's recommendations—and members may be surprised to hear that. However, the government has serious reservations about three of the recommendations. Since we have the amendment before us I might add to that a fourth, which I will touch upon at the appropriate time.

The government's first concern is as follows: Some of the recommendations are open to the interpretation—a very serious interpretation, if you read the word—that the government should intrude and interfere in the day-to-day affairs of Ontario Hydro, and in particular in Ontario Hydro's decisions to award contracts for major equipment.

Mr. J. Reed: Billions and billions.

Mr. Ashe: This interference is particularly apparent in recommendation (c) which specifically calls for Hydro to inform the minister fully prior—and I think that is a very key word—to the award of major contracts.

Mr. Kerrio: That sounds like a very good recommendation.

Mr. Ashe: It is really difficult to believe the standing committee intended such an interpretation, yet that's exactly what is said in recommendation (c) of the committee's report.

Mr. Kerrio: That's exactly what we meant.

Mr. Ashe: As members may recall—hopefully the member for Halton-Burlington will recall—in my remarks in the debate on his Bill 61, the Ontario Hydro Public Accountability Act—

Mr. J. Reed: A good bill.

Mr. Ashe: It had some good points.

Mr. J. Reed: Did it get blocked?

Mr. Ashe: I did remind the honourable members at that time that responsibility for the business and affairs of Ontario Hydro is invested in the Ontario Hydro board of directors. I said there were very good and compelling reasons why Ontario Hydro's business operations and day-to-day affairs should be kept at arm's length from government or legislative interference.

Mr. Kerrio: At arm's length but not out of reach.

Mr. Ashe: This is a position which the government strongly supports and one which cannot be stressed enough.

This government has scrupulously avoided interfering in Hydro's purchasing practices—

Mr. Kerrio: Look at the results.

Mr. Ashe: —believing as I do that Hydro's day-to-day decisions should be based on business considerations and not based on political considerations.

Mr. Kerrio: Then why did you decide to keep Babcock and Wilcox in business?

Mr. Ashe: This is not to say the Minister of Energy should not be kept informed about Hydro's purchasing decisions. Indeed, Hydro's existing practice is to inform the minister immediately after Hydro board approval of contracts in excess of $25 million, when it is the lowest evaluated tender, and contracts in excess of $10 million, when it is other than the lowest evaluated tender.

It is important for proper business operation for the government to respect the integrity and responsibility of the persons appointed to that board. I submit to the members that we cannot ask persons of the quality of those who serve on that board to remain figureheads.

I can't really believe that the members of that committee, in fact of this Legislature, would really suggest there should be political interference, political before-the-fact consultation in the awarding of contracts.

Interjections.

Mr. Ashe: It seems to me there are certain members who brought forward to the standing committee an insinuation that at some time back in history there was a member of this government who tried to influence the awarding of contracts. Quite rightly the members of the committee berated any kind of insinuation that there should be political input, political interference, political direction, from the government prior to the awarding of contracts.

Interjections.

Mr. Ashe: I find it unbelievable that the members of the Liberal Party and the members of the New Democratic Party would suggest the government should be involved in this political kind of interference, because that's how they would interpret it, call it what they will now. That's how they would call it after the fact. Any time there was an award of a contract made, they would say, "The government told them how to do it."

Mr. Kerrio: That's what you have done. We want to bring it here in the open.

Mr. Ashe: "The government suggested how they do it. The government had control over who Hydro would award it to and that isn't right."

Mr. Bradley: In other words, the minister shouldn't know if they were negotiated or tendered, eh?

Mr. Ashe: It's unbelievable that the members of that committee and the members of those parties across the floor would suggest that's really what they are talking about.

Mr. Kerrio: Now we know why he is not the minister.

Mr. Ashe: I find it unbelievable.

Mr. M. Davidson: A point of order, Mr. Speaker:

Mr. Acting Speaker: A point of order.

Mr. M. Davidson: Mr. Speaker, I should point out to you the subject matter to which the present speaker is now referring, this document, was signed by members of all three parties and there was no dissent from his party on the subject to which he is speaking.

Mr. Acting Speaker: That is not a point of order. The member has not suggested otherwise.

Mr. Ashe: Mr. Speaker, just because I happened to highlight the political philosophies opposite, rather than the one on this side, I didn't really say nobody else signed the report. I don't remember putting that on the record, in any event.

Mr. Conway: You're insulting the member from Glengarry?

An hon. member: The member has a poor memory.

Mr. Ashe: I appreciate that there were members from all sides who were maybe led astray with their perception of recommendation (c) in that particular report.

Mr. S. Smith: Praise your caucus friends.

Mr. Makarchuk: Is the member saying we're stupid?

Interjections.

Mr. Acting Speaker: May I remind the House the member for Durham West has the floor. Interjections are in order but not running commentaries.

Mr. Ashe: Mr. Speaker, we will see a little later on the evening whether that's really what the members of the committee, that's what the members of the parties opposite, are suggesting the government do. They will have an opportunity to put on the record at 10:20 p.m. or when it may be, whether they really are saying they want political transfusion into the system prior to the giving out of contracts by Ontario Hydro. We will see a little later on in the evening.

Mr. Wildman: Who are you trying to kid?

Mr. S. Smith: Non-political people like Hugh Macaulay.

Mr. Ashe: Mr. Speaker, as I mentioned, we have a few other concerns. I would suggest that is by far the main one, but I find it so unbelievable I had to dwell on it to some degree. We have a couple of others.

Mr. Kerrio: You act as though Hydro is a free enterprise.

Mr. Ashe: Mr. Speaker, the government's second concern is that the recommendations, in and of themselves, do not take into account the practicalities of implementation in all situations. This is an area where judgement and discretion are required—

Mr. Wildman: Who wrote this speech?

Mr. Ashe: —and where the Ontario Hydro board and Ontario Hydro management must be free to make informed decisions, taking into account the real world—and some of us do operate in the real world and so do Ontario Hydro—difficulties which are faced in managing major complex projects and contracts in an ever-changing world.

Mr. Kerrio: Forty per cent over generation capacity proves it.

Mr. Ashe: Those of the members who have been involved in private enterprise know exactly what I am talking about. The real everyday world will be different tomorrow from what it was today and different from what it was yesterday.

Mr. Kerrio: Hydro's not in that world. What are you talking about?

Mr. S. Smith: This is not one of your better efforts, George.

Mr. Ashe: By way of example, Mr. Speaker—

Mr. Acting Speaker: Order, order.

Mr. Sargent: You are embarrassing your minister. Sit down.

Mr. Acting Speaker: Order, please.

Mr. Ashe: By way of example, Mr. Speaker, I draw your attention to recommendation (a)(iii) which states that Hydro should conduct its business affairs such that more than one supplier is available to tender competitively. This recommendation ignores a number of complicating factors.

Mr. Sargent: Who wrote your speech for you?

Mr. Ashe: For instance—

Mr. Kerrio: It's hard to look after your friends.

Mr. Ashe: —necessary proprietary information and technology on some occasions, believe it or not—

Mr. Sargent: You are out of order.

Mr. Ashe: —may only be in the hands of one supplier. Second, the marketplace for some specialized products may not be large enough to support more than a single supplier. Do you want two companies which go out of business or one that stays in business? [9:15]

Mr. Kerrio: But that determination should be made here; not at Hydro. Right here!

Mr. Ashe: If you have nobody in business, there is nobody to make the decision.

The government's third concern relates to recommendation (e), which states that Hydro should not take into account the subsidization of any supplier in the decision-making process relating to the award of contracts.

Interjections.

Mr. Acting Speaker: I wonder if the members of the official opposition will please be less demonstrative with their voices at the present time. The member for Durham West does have a right to make his points, whether or not you agree with them.

Mr. Ashe: Mr. Speaker, it is always very flattering that I can get them so involved in the debate.

Mr. Acting Speaker: You could do a little to make it not quite so controversial.

Mr. Ashe: As members are aware, Ontario Hydro follows the Ontario government's buy-Canadian policy, under which a price preference of up to 10 per cent is allowed for Canadian-made goods. Hopefully, that's not what the committee was talking about.

Mr. S. Smith: Quebec is part of Canada, you know.

Mr. Ashe: But in fact, if the standing committee is recommending that this preference be stopped, the government could not support this recommendation. We just put that in the record by way of clarification because we assumed that that's really not

what the committee is challenging, or suggesting.

It is the responsibility of the Hydro board of directors to comment on the specific recommendation and the recommendations and the facts and conclusions contained in the standing committee's report. In this connection, the Minister of Energy is writing, and has in fact written to the Ontario Hydro chairman, asking them to review the report and bring back their comments on the report and how any recommendations might be implemented. I have been advised that the Ontario board of directors will be considering this at the first opportunity.

As you can see, we really had concerns originally in three areas. In fact we have now added a fourth. The highlight of one obviously is the suggestion—I suppose you would call it a recommendation, because that's what it is—that the government should interfere in the awarding process before the fact. I think we have dwelled enough on that.

But now, with the amendment put before us by the honourable member opposite, I have another one. Again I find it unbelievable that a party, a so-called free-enterprise party, that always talks about the tendering system, the free-enterprise system—

Mr. J. Reed: Yes, tendering, that's what we are talking about.

Mr. Ashe: —would really bring forward an amendment along these lines.

First of all, may I say that a resolution of this House could not change the responsibility given to the Hydro board of directors in the Power Corporation Act. That's number one. Their responsibility already exists. That won't change it.

Second, I would suggest that what this amendment is trying to do is destroy the competitive tendering system. That's exactly what it is trying to do.

In this case Babcock and Wilcox secured this Ontario Hydro tender in a very open and competitive way. They were by far the low tenderer, both in terms of dollars and in terms of the evaluation of their tender contract proposal. The members opposite are suggesting that that process, of which they have been critical, be thrown right out the window.

I really do find it unbelievable that that so-called free-enterprise party—I can imagine this amendment coming from the third party; I think I could—

Mr. Kerrio: Hydro is not free enterprise.

Mr. Ashe: But that it came from that party opposite is unbelievable, it really is. It is unbelievable.

Mr. Wildman: You don't understand anything. We wouldn't move an amendment like that.

Mr. Ashe: I am glad to hear it. We have just had some indication from the members of the third party that even they see that this amendment is wrong and they are not going to support it. We will see about 10:20 or thereabouts.

Really what this is suggesting is that the whole tendering process be thrown out the window. Added to that, let me just point out a few other technicalities of that kind of a cancellation. Besides the system just going out the window there might just be—

Mr. Sargent: Is the member trying to imply he made a deal with the NDP?

Mr. Acting Speaker: Will the member for Durham West please proceed.

Mr. Ashe: Thank you, Mr. Speaker, for your courtesy.

It is proposed the system be thrown out the window, but I would suggest to you there may be a few other complications. We have many legal beavers in here, but I would suggest there might be the odd lawyer who could make a substantial fee out that kind of cancellation. There might be a few legal complications to cancelling a contract that has been entered into by both parties in good faith and in due process.

An hon. member: Are you against lawyers now?

Mr. Ashe: Maybe one can't do it legally so he negotiates his way out of the contract.

Mr. Cunningham: That's breach of contract.

Mr. J. Reed: You're on the hook.

Mr. Ashe: Is the member really suggesting one would throw good money after bad, to use his term? Is he suggesting one would negotiate with a substantial settlement in buying his way out of the contracts? I recall some of these members using that as a criticism at the select committee on Hydro affairs about having to buy themselves out of contracts because they had to cancel them.

Mr. Hall: They're experts at it.

Mr. Ashe: There's one other point I'd like to draw to the members' attention which was made by the honourable member when he was putting his amendment. He used words something like "the $10 million from Hydro to Babcock and Wilcox was really like a gift." Let me suggest it's far from a gift.

Mr. Bradley: It's a giveaway.

Mr. Ashe: I can imagine if that had come from some member who was not part of that

committee we could put it down to their not knowing any better. They just looked at the numbers and they really didn't comprehend what it was all about, because they didn't have the time or opportunity to be present, nor the time or opportunity to read the transcript of the debates and the testimony that was put before the committee.

But let me point out that a great deal of this $10 million—and I won't try to say all by any means—is because of actual changes in the technology—

Mr. J. Reed: The technology is over.

Mr. Ashe: —actual changes in the boilers themselves that came about from the actual tubes, the installation in a different way and the different kind of tube by Babcock and Wilcox coming from a different supplier.

Mr. Bradley: Removing, transporting and installing the main generators, $3 million.

Mr. Ashe: I would suggest it was put well on the record that some of these things were not an expenditure by Ontario Hydro but an investment by Ontario Hydro that may very well have been made under any circumstances.

Once again, just in closing, we think the committee generally did a good job. There are a few exceptions to that which I hope I've been able to put on the record. I would hope the honourable members would think seriously about two of the major points—the one relating to the process of suggesting the government be involved before a contract is signed and issued; and, second, that we're really talking about throwing the tendering system right out the window. I have a real difficulty in thinking this Legislature, in all conscience, will support that.

Keeping that in mind, everyone will have an opportunity at about 10:15 or 10:20 to indicate which way they're thinking.

On that basis I have an amendment to the amendment that I'd like to propose.

Mr. Deputy Speaker: Mr. Ashe moves that the motion for the adoption of the report be further amended by adding thereto the following:

"That the report be adopted with the exception of recommendation (c) on page 30 which shall be struck out and the following substituted therefor: 'senior management of Ontario Hydro should fully inform the Minister of Energy of all the particulars relating to the procurement of major equipment following the awarding of the contracts.' "

Mr. Ashe: In closing, Mr. Speaker, I would hope that with the defeat of the amendment, which would properly put the tendering system back in its right light, and with the passage of this amendment which now stands as the amendment to the amendment, we would properly reflect what I think are the true feelings not only of the committee but in fact of this Legislature.

Mr. Mancini: I would like to make some comments on the report of the standing resources development committee which was tabled in the Legislature some time ago and made available for debate this evening.

As many of us may recall, this matter was brought to the attention of the Legislature by the Leader of the Opposition (Mr. S. Smith). I am sure if we were in the House at that time we can recall his questions to the then minister with two portfolios, the Minister of Natural Resources and Minister of Energy. I will at a later point in the debate make some comments on that aspect of having one minister holding two very important portfolios in Ontario.

We can recall the questions of the Leader of the Opposition and we know we didn't get very far. We didn't get very much information from that minister. I would like to inform the House that we didn't do much better with Ontario Hydro.

I was able to keep a copy of an article from the Globe and Mail of May 25, 1979, after the matter had been raised by the Leader of the Opposition, dealing with some questions the paper had raised with a Hydro spokesman about having kept secret the multimillion-dollar contract with Babcock and Wilcox for the Pickering B nuclear generating station boilers which were found to be faulty.

What did Mr. William Morison, Hydro's director of design and development, tell the Globe and Mail? He said, "I don't know what you could see there. Tendering documents are open to the public, but thereafter any contracts between us and the company are private."

When further attempts were made by the Globe and Mail to procure an answer, a Hydro spokesman said, "At the moment, none of them is capable of talking. They are all working full bore." There was nobody capable of talking, nobody capable of making public what the public needed to know.

It was after events like that that the official opposition in its press release of May 28, 1979, gave notice to the Legislature that it intended to invoke standing order 33(b) to have the annual report of Ontario Hydro referred to the standing resources development committee.

[9:30]

It should be on the record, as I have stated, that we had to struggle to get this whole matter before the public. Up until that time we had received very little co-operation from the then minister, who was wearing two hats, and also officials of Ontario Hydro.

I was very proud to serve on that committee because when it was all over the members of all parties were able to come to a consensus. I think that is rare in this type of political atmosphere and when so much is at stake. I want to say that I commend all members for working diligently together under much stress and being able to come up with a report that all of us could sign.

The report itself deals with many of the problems that have already been raised. For the information of the House, I would like to go over some of them and expand on them. Before I do, I want to mention to the House that even as the committee was being started, even as we were preparing to do our work, there was further intimidation from Ontario Hydro. I now know why Hydro did not want us to go to this open forum and break out all these facts.

That intimidation, in my opinion, was levelled at the committee by the then chairman, Mr. Taylor, who wrote the committee a letter. I quote from the Globe and Mail of June 21. "Mr. Taylor said public analysis and discussion of this issue would likely bring negotiations to a premature end, with the two parties being deprived of the right to arrive at a mutually satisfactory settlement."

The events of the last few months have shown that to be totally false. In no way was the committee or any of its members a hindrance to Ontario Hydro or Babcock and Wilcox in their signing an agreement. The very fact that they signed an agreement, which Ontario Hydro, for reasons known only to them, seemed to like, proves that Mr. Taylor possibly prejudged the situation.

Anyhow, the committee was able to establish itself. We were able to hire expert counsel. I wish to commend Mr. Wortzman for the tremendous work he did—we all know he put in many hours—and his assistant, Mr. Malette.

One of the things that has always puzzled me, and to this day still does, was referred to in the committee's report on page eight. I cannot understand, and sitting through all the hearings it was never explained to me why, when Hydro staff recommended MLW for the Bruce A work, its recommendations were overruled.

A few minutes ago, we heard from the member for Durham West. His speech in the last few minutes centred on political interference. He made mention that we were promoting political interference. How opposition members can promote that type of activity is beyond me. But the government, which is able to make these decisions and is able to interfere, if it so wishes, did so. It did so through a former minister of this Legislature.

A former minister, whose name became well known after this incident, had written a letter to Ontario Hydro. He informed them that the Babcock and Wilcox people had been in to see him and that they had made a great presentation. He believed they would be worthy of having the contract, even though their tender was $1 million greater.

That is when all the problems began. When the then minister, Mr. Randall, wrote his letter, which was widely publicized thereafter, we saw what political interference could do. We've been paying for that political interference ever since that day. It did not matter that AECL had documentation which, under any normal circumstances, would have been enough not to award anyone a contract, even if they had been the low tender.

Further to that, Ontario Hydro staff had documentation. This wasn't hearsay in the halls of that shiny, new building just across the street from the Legislature where people gather together, I'm sure, in their hallways and whisper secrets to each other. It wasn't that kind of thing at all. It was strict documentation in writing as to why B and W was incapable of doing the work. Maybe Mr. Randall's letter wasn't the thing that did it. But, to me, that's the only thing I can grasp at as to why, under these unusual circumstances, Hydro would buckle under and give a job to a company whose record was not very good and whose bid was $1 million higher.

The member for Durham West did not address himself to that question. Therefore, the committee recommended that competitive tendering should not and ought not be replaced. We supported that wholly. All members of the committee signed their names to the report which contained that. I think it's a practice which must prevail if the taxpayers are to be protected.

Then we delved into another area when we moved on to discussions concerning Pickering B. After Pickering B was awarded the contract instead of it being tendered on the open market, we wanted to know from Ontario Hydro why they would do something like that. If they were supposed to protect the public interest, why would they award a contract to a company that had previously been given a very tainted image by its own staff, not by someone from outside, but by its own staff? Why would they award a non-

tendered contract to a company like that? We were told that there was money to be saved. Pickering B was going to be a repeat of Pickering A.

The chairman of the committee will well remember the evidence of that nature which was given to our committee by Ontario Hydro. I'm surprised they would tell the committee something like that. I'm surprised they would assume we would not think through a statement like that.

All of us know it takes approximately 10 years to put a nuclear plant on stream. It is impossible to repeat. There is no way Ontario Hydro could have repeated Pickering A. There were too many technological advances. That argument goes down the drain.

We moved on to the subject of, "The contract had been awarded without tender. Did you get a fair market price? Were the people of Ontario protected?" Yes, we were told.

It states on page 13 of the report: "Hydro's overriding concern within the negotiations was to procure the steam generators at a fair market price, as if tenders had been called. It was Hydro's evidence that the negotiated price of approximately $25 million (unescalated) was in fact the fair market price. The committee disagrees."

All members of the standing resources development committee signed a report which stated, "We disagree with Ontario Hydro's testimony"—not just the Liberals, not just the New Democrats, but all members of that committee disagreed.

There is a lot of other evidence that should be brought to the attention of the House. I see my time running short, but there are a couple of other things I want to mention before I close, because I feel they are so important.

One is the attitude of the Hydro officials themselves. It never ceases to amaze me just how many people come out of the woodwork when Hydro has to give testimony before a standing committee of this Legislature. As I sat in that committee and looked over the room and the people who were there watching, I could not believe the amount of money and talent in that room solely for the purpose of taking notes.

Why they could not rely on the Instant Hansard, which was already being paid for by the people of Ontario, and why they had to send a slew of civil servants from Ontario Hydro Corporation, all of them taking notes at the same time, was beyond me. I could understand if there were two or three meetings going on, in possibly two or three different rooms, you might need several people, but with Instant Hansard, that becomes questionable.

Having a slew of these civil servants, all in the same room, all taking notes of the same proceedings, is beyond me. It is beyond me and I think is indicative of one of the problems at that crown corporation.

The other point I would like to make concerning Babcock and Wilcox is the unbelievable position taken by its American parent and by its spokesman, Mr. McDermott.

Unfortunately, I am out of time. If you will allow me 30 seconds, Mr. Speaker, I want to make one final point.

In this province of Ontario, when people go to the polls to vote, they vote for a government that would put an elected official at the head of the ministries. We see elected ministers at the head of the Ministry of Government Services and at the head of the Ministry of Revenue, which are important, but not as important as the Ministry of Energy. Yet this government allowed the Ministry of Energy to go one full year without a minister. It was one full year without an elected person working full-time protecting the people of Ontario. I think that is shameful.

[9:45]

Ms. Bryden: Mr. Speaker, we started out tonight with a unaminous report from 16 members of a standing committee who spent nine weeks of the summer recess investigating what was a very serious matter: whether Hydro's procurement practices were lax and whether the hydro consumers of this province were being saddled with costs they should not have had to pay.

These serious questions were dealt with by the committee in a report that indicted Hydro for not following competitive tendering, for not having performance bonds and for not following inspection and monitoring practices which would have prevented the necessity for having such a committee. Any expense the committee incurred would have been unnecessary if the recommendations that are in that report had been implemented before the committee ever met.

I think the trip was worth while, if the recommendations are implemented, because the recommendations call for an improvement in Hydro tendering practices and an improvement in the accountability of Hydro to the Legislature and to the minister. That is simply all that is being asked for when it is suggested that the minister should be informed of Hydro contracts for major procurement before the contract is awarded.

The effect of the award of a large contract can spill over into many sectors of the economy. It can affect employment. It can affect foreign investment in this country. It can affect future energy supplies. It can affect the kind of energy we are going to have. If the minister is not informed that major procurements are being considered in the energy field, he is walking in the dark.

I think the amendment of the member for Durham West completely nullifies what was recommended by the committee as a reasonable way of keeping the Legislature and the minister informed of what is going on in a major way in the letting of contracts in the energy field.

I remind you, Mr. Speaker, all members of the committee from the Conservative side voted for this recommendation that the member for Durham West is going to upset. Is he asking them to reverse themselves and now to vote against that recommendation? They were undoubtedly aware of some of the problems he mentioned. The only evidence that could be interpreted as political interference was the letter which is on record in the report from a former Conservative Minister of Trade and Development. But the members of the committee were convinced that simply informing the minister of the impact of large-scale procurement would not be opening matters to political interference.

As for the Liberal amendment, I cannot understand how, if they felt the Darlington contract should have been considered by the committee, they did not raise it in the committee. In effect, what they are doing is suggesting that Darlington be reopened and that the government go looking for another contractor, even if there is no other contractor in the field. Maybe they will have to go down to the States or hire a completely offshore contractor, if they are going to look for another one.

Many of us on this side of the House would like to see the question of Darlington reconsidered.

Mr. Haggerty: You want a moratorium on Darlington.

Ms. Bryden: We would like to see Darlington put on the shelf for some time until this tremendous surplus of electrical energy that we now have is used up. This seems to be a very back-door way of expressing any concern about whether Darlington is going to produce excess energy capacity.

Mr. Cureatz: You are not bringing that in before the committee decides, are you?

Ms. Bryden: I do not support a back-door examination of the Darlington question. I think that is a question for the Hydro committee to make recommendations on, and then we will deal with that in this House.

On the question of what one does when one calls for tenders and there appears to be only one potential supplier in Canada, one has to look at the desirability of developing a Canadian capability for Ontario Hydro purchases. But it isn't going to be done simply by saying we will try to find two tenderers in every case. Perhaps the industry will only support one tenderer in Canada. We don't particularly want to say we will insist that one tenderer be Canadian and one be American.

It seems to make much more sense, when one is dealing with the purchase of very large pieces of equipment for nuclear and other generation, that one sees that the jobs are kept in Canada; that there is a Canadian capability. If there is only opportunity for one firm to have enough business to operate in Canada, it seems to me the government should consider operating that firm itself or in partnership with that firm. Then there is control over the effect on the economy. There is no reliance on a foreign owner who can threaten to pull out at any moment, as happened in this case when it came to the question of who would pay for the repairs to the boilers.

We know that the threat was held over the head of Hydro that, if it did not share some of the costs, the company would be forced to close down. We don't know how true that was or if it was simply a method of bargaining or negotiating. But when we leave ourselves at the mercy of a multinational corporation, and we do not have an alternative in the country, we cannot create artifical alternatives in the way the Liberal motion seems to suggest.

We should really be developing our own capability so that our hydro needs are supplied by a Canadian firm—possibly government-owned—with Canadian workers. There are lots of jobs in that area, and the impact on the economy can be controlled when we do control it. Our party did move a motion to that effect; unfortunately, the motion was rejected by the committee. Perhaps, now they have seen the alternatives, they might be willing to reconsider it.

I am going to oppose both amendments, Mr. Speaker. I think we should adopt the report because, if the recommendations are followed through and implemented, it will mean an improvement in our control over the biggest crown corporation in this province,

the one that spends the most money and the one that affects our economy the most. We must have that corporation answerable to this Legislature. That is why it must come back once a year to a standing committee to report what is going on. That also was an amendment we moved, but it was not adopted by the committee. I hope the Legislature will reconsider that at some future date.

Mr. Lane: Mr. Speaker, as a member of the resources development committee, I welcome this opportunity to comment on the report that was tabled in the Legislature in October.

To begin with, I would like to compliment the members of the committee for their diligence and patience in investigating this very complicated and highly confidential matter.

The performance of the committee has in no way jeopardized the very sensitive negotiations that were being carried on between Babcock and Wilcox, Atomic Energy of Canada Limited and Quebec Hydro with respect to modifications of their boiler systems.

It is a refreshing change for the resources development committee to write a majority report where all three parties agree on the final recommendations.

It is most unfortunate but not unusual that problems and delays occur in developments of highly technical and sophisticated industries. Ontario Hydro continues to break ground in the field of nuclear energy and electrical power generation and certainly difficulties are bound to develop which are unavoidable.

The difficulties that have developed in respect to the Babcock and Wilcox steam boilers should not in any way overshadow Ontario Hydro's excellent record in continuing to supply power to Ontario consumers. Ontario Hydro and Babcock and Wilcox Limited have hammered out what I think is a very good settlement with respect to the Pickering B boiler defects and it will not have too much impact on the Ontario consumers.

The immediate cost to Ontario Hydro for the rebuilt program of 34 boilers will be about $9.9 million. Of that total, $3 million will be for transportation costs and $6.9 million will cover the added costs of improving the performance of the boilers.

In the long term, the cost to Ontario Hydro and to the consumers of this province will be substantially less. Hydro will be receiving a more efficient boiler and the rebuilt boiler will have a greater heat transfer capability as a result of the improved Monel tubing to be installed. Fewer tubes will be plugged than was expected. These modifications will raise the overall performance of each boiler, which will improve the total efficiency of the Pickering B facility and continue to save Hydro consumers money over the lifetime of the plant. In addition, Hydro will be able to save time and money during the installation of the boilers because the tubes no longer need eddy current testing.

The report also recommends that Ontario Hydro should utilize a competitive tendering process for the procurement of major equipment to a greater degree. As a supporter of the free enterprise system and open market competition between companies, I feel Ontario Hydro should have entertained tenders for all possible supplies of the Pickering B boilers.

Ontario Hydro did offer valid reasons for choosing B and W for the Pickering B contract, especially since B and W did win the original contract on the basis of the results of a competitive tendering process and exact duplication was a major concern to Ontario Hydro in terms of plant maintenance. But Ontario Hydro is a public corporation and it has had difficulties with B and W in respect to other contracts, so it should have asked for bids on this contract.

I fully support the recommendation that the performance bond and a complete financial background of companies should be obtained by Ontario Hydro as well as the use of the competitive tendering process in order to avoid any further public misconceptions as to the tendering and contracting practices of Ontario Hydro.

Finally, I would like to address the general question of the overall reasons for this committee examining the B and W boiler contract. I fully endorse the short list of recommendations the committee has drawn up but I feel the committee had very little, if any, impact on the actual settlement of the boiler rebuild program.

The committee did reinforce the need for improved communications between Hydro and the Minister of Energy. These information links must be improved and any major event of public concern must be passed on to the minister. The government of Ontario must be kept up to date on all matters that concern the people of this province. But I doubt very much that the people of Ontario were well served by having this committee spend well over $100,000 listening to this problem when we had very little to do with the final settlement that was arrived at.

As a northern member with a large rural population, I have been observing Ontario Hydro's shift in focus to demands of the

major centres. Rural consumers continue to pay for the constant improvement of facilities that benefit only the urban centres.

Over the past 10 years, Ontario Hydro has spent more than $10 billion in capital construction in order to meet the peak load demand of the urban parts of Ontario. Over the last 10 years the gap between the Toronto consumer's hydro bill and the rural customer's bill has increased fourfold. The major communities in most areas continue to be removed from the rural power grid patterns, thus raising the cost to rural customers. If hydo rates were standardized across Ontario, the cost to the rural resident would be decreased by 22 per cent and the city dweller would face an increase of approximately four per cent.

[10:00]

Four provinces have already standardized provincial power rates across the province and three provinces have a very nominal decrease for towns and cities. Only Ontario and Alberta have substantially higher rural rates and Alberta has a number of private utilities that are attempting to make a profit from the consumer.

I sincerely hope Ontario Hydro would implement the policy changes suggested by the committee report. Since Ontario Hydro is a public corporation, it should take closer notice of the rising cost to the rural communities of this province. In a day and age of energy conservation, the heavy consumer of power should not be given a discount at the expense of the small consumer.

In closing, I would just like to say that I, as one member of the committee, would like to get a response from Ontario Hydro before this report is either adopted or rejected or amended or otherwise.

Mr. Kerrio: Mr. Speaker, my colleagues have addressed themselves to some of the particular parts of the contract as they relate to the Babcock and Wilcox boiler contracts.

There are a couple of matters I would like to touch on.

I think the citizens of Ontario, and particularly those paying Hydro rates, are fortunate indeed that minority government is at least opening some doors relative to the function of Ontario Hydro. While it was the intent, initially I think, of the government to treat Hydro at arm's length, I am afraid Hydro has got completely out of reach.

Mr. Speaker, is there some time limit as it relates to this debate?

Mr. Deputy Speaker: I am not aware of any time. It is up to the members to govern themselves accordingly.

Mr. Kerrio: Hydro has actually become bigger in the sense of its mandate than the government that spawned it. While the member for Durham West has suggested this legislative body shouldn't interfere with Hydro or its direction, the fact remains that a former Treasurer—

Mr. Warner: On a point of order, Mr. Speaker: I understood we had by agreement split the time equally three ways. My understanding from the clock is that the Liberal Party has exhausted its allotted ime. Am I correct in that?

Mr. Nixon: Speaking to the point of order, Mr. Speaker, I agree that that was the arrangement. When the last speaker, the member for Algoma-Manitoulin, sat down and you called for further speakers, nobody got up, so the member for Niagara Falls simply got up to speak.

Certainly, if the NDP or whoever's turn it is wants the time, I suppose that's all right, but someone has to stand up and start talking.

Mr. Deputy Speaker: The member for Niagara Falls.

Mr. Kerrio: I would just like to wind up my remarks then, if I may. I don't like to leave them in mid-sentence.

It has to be drawn to the attention of this chamber that while one member from the Conservative Party stood up and suggested the direction of Ontario Hydro should be removed from this chamber, a former Treasurer was certainly able to alter the direction of Ontario Hydro in a very significant way. I can't agree with him in his assessment of the mandate of Ontario Hydro. It is time we looked into some of the changes in the Power Corporation Act so that Hydro will be more responsible to this Legislature and to the people of Ontario.

Mr. M. Davidson: Mr. Speaker, I was quite willing to give my friend from Niagara Falls a couple more minutes. I am not sure I can use up the 10 minutes.

Mr. Kerrio: That's actually where it all started—generating power, you know.

Mr. M. Davidson: I would like to speak to the report. Not being a member of the committee as such, I did, though, as the member from where Babcock and Wilcox is located, in Cambridge, spend a considerable amount of time during the committee hearings—

Mr. Watson: You didn't like to lose those 1,400 jobs.

Mr. M. Davidson: —watching the committee in action. I must congratulate all of

those who took part in the committee hearings for having to absorb what I considered to be a large amount of material that had been produced by both Ontario Hydro and Babcock and Wilcox and trying to determine what, in effect, both of those corporations were trying to tell them. I'm quite sure there were occasions when much of the information being provided to them required a great deal of sifting out in order to decide finally what it was each of those two parties was putting forward.

There are those who throughout the course of the debate tonight have suggested that perhaps some of the recommendations put forward in this report were actually put forward only by members of either the Liberal or New Democratic parties. I would point out again, as I did when I rose on a point of order when the member for Durham West —the parliamentary assistant to the Minister of Energy—was speaking, that this document we have before us this evening for debate was, in fact, signed by all members of that committee, including members of the Conservative Party.

The recommendations included in this report were endorsed by the members of the Conservative Party who were on that committee at that time. I would suggest any effort on the part of the parliamentary assistant to the Minister of Energy to suggest anything other than that, while he may not be trying to mislead his House, he certainly is trying to give misinformation to the public in Ontario. I don't think that's worthy of him.

I think he should be prepared to say the members of his party did, in fact, support this document. I think he should be prepared to say the recommendations in it are highly critical of Ontario Hydro and the operations of Ontario Hydro in this province. I think he should be prepared to say his party accepts these recommendations in all good faith and will be prepared to try to implement them should this report pass in the House this evening.

There have been, as I said, a number of comments made throughout the course of the hearings, in newspaper reports and other areas, highly critical of the Babcock and Wilcox company. As I said one day in camera in committee, and I'll say here publicly, there is no question in my mind that the responsibility or part of the responsibility for the damages which have occurred very well could be the judgement of management of Babcock and Wilcox, but when people start talking about the workmanship of the product, they are talking in terms of the guys down there on the floor slugging around trying to build and develop these boilers.

While it may be the information those guys received prior to building these boilers was such, they're the guys who have to take orders from their top management people; they carry out those orders. The fact the boilers do not, in fact, operate properly should not be a reflection on the working guys in that plant. They're doing the job they're instructed to do.

It's these same workers in that plant who are very much concerned and puzzled by what was taking place here during the course of the hearings. They're not sure of their futures, given the statements made by some of the top officials of Babcock and Wilcox (US). They certainly were not receiving that information from the Babcock and Wilcox (Canada) people. When it came to the point where they found out there was possibility of closing down that plant, certainly, 1,600 workers are going to be concerned. If we add to those 1,600 workers their wives and their families, we're talking somewhere in the neighbourhood of 3,500 to 4,000 people in the city of Cambridge who could have been affected should the company have closed down

I'd like to quote the Kitchener-Waterloo Record of September 15, 1979, from a full-page story about this problem written by Mr. Hugh Patterson, who is with us in the gallery tonight. I think it was a very objective coverage of this problem. He did an article after he had held discussions with the local union president, Mr. Frank Crystal.

Mr. Crystal is quoted as saying, "It bothers me going home after work and not knowing what we'll read next in the newspaper. You don't work here 23 years and say it doesn't bother you. Until this happened our company had a damned good name in the boiler business—the best in Canada. I'd just like to see this over with and let us get back to making boilers the way we're damned well capable of making them."

He says further, "I think we can put this company on its feet again and give it back the name it has always had in the boiler business."

I suggest that by implementing the recommendations here, and by putting the problem where it actually belongs—in the hands of Hydro and the Minister of Energy—perhaps Mr. Crystal and his fellow workers can go back to doing what they have done over many years; that is, produce a capable working boiler that can survive in any industry in this country.

I would like to point out a couple of things: Certainly the problems of stress relief were the major problems that existed in the damage to the Pickering B boilers. It was the stress-relief process that caused the damage. But let's take a look at the evidence that has been presented. Ontario Hydro had originally, in its specifications, suggested that the stress relief should be localized; in other words, the relief should only be carried out at the areas where the weld was in place.

I would like to quote from the report, which says: "Drawing upon its anomalous Pickering A experience, Hydro stipulated in its specification that the steam generators be locally stress-relieved. This was consistent with what appears to have been the preferred method in the industry at that time. B and W, however, took exception thereto and proposed full-vessel stress relief. Hydro ultimately agreed to this deviation from its specification and approved the relevant procedure submitted by B and W."

I suggest if Hydro had been the kind of corporation it is supposed to be, if it were interested in the cost to the consumers of this province, it would have demanded that the original specifications be met or the contract would not be carried out by Babcock and Wilcox, but would be carried out by some other provider of the same equipment in this province.

The fact that B and W negotiators were able to negotiate a better contract than Ontario Hydro can negotiate is not the fault of B and W. That fault lies with Ontario Hydro. That is what this report hopes to rectify and clarify. I certainly hope it passes in the House tonight.

Hon. Mr. Welch: Mr. Speaker, before bringing this debate to a conclusion by putting the questions that are before the House, I wonder if I might comment briefly on one or two matters which have been the subject of some considerable discussion tonight.

Certainly, as Minister of Energy, I have found helpful, instructive and informative the exchange that has taken place and, indeed, the report itself. One can hardly argue with the spirit of the report, which calls for improved communications between the public utility and the minister responsible for that utility, in so far as accountability in the Legislature is concerned.

The Minister of Energy does find some concern with recommendation (c) as set out on page 30 of the report. It is one thing to talk about senior Hydro management keeping the minister fully informed with respect to contracts. But surely any recommendation that leaves open to misunderstanding and misinterpretation in this province that there would be a period of time between informing the minister and the actual awarding of the contract leads to all sorts of problems with respect to public perception of the objectivity of the whole system.

The amendment to the amendment proposed by my parliamentary assistant pleads with this House to preserve the objectivity of the public tendering system. There is absolutely nothing wrong with the spirit of (c) which says the minister should be kept fully informed with respect to that contract. But I invite the members to look carefully at the wording. It says, "prior to the award of the contract." That leaves a lot of opportunity for people to speculate as to what happens during that discussion prior to the award of the contract. As the present minister, I really don't want that particular opportunity for innuendo. I would rather protect the system.

[10:15]

All the amendment of the parliamentary assistant says is that the spirit of recommendation (c) be preserved, but that there not be that particular exchange prior to the award, that the public tendering system and all the principles of that system be preserved. In the same situation, the amendment of the member for St. Catharines further destroys the system by asking now that we reopen the award of a contract.

I would assume, on the basis of this presentation, members would support the amendment to the amendment and defeat the amendment.

Mr. Kerrio: You're going to sell us out, like the Socreds.

Mr. Speaker: Mr. Villeneuve has moved the adoption of the report of the standing resources development committee on the Pickering B generating station steam generators supplied to Ontario Hydro by Babcock and Wilcox (Canada) Limited and the addendum thereto.

Mr. Bradley has moved that the following words be added to the motion to adopt the reports of the standing committee on resources development:

And further, the legislative assembly recommends, in the light of Babcock and Wilcox (Canada) Limited's poor performance in respect of the boilers supplied to the Pickering B and Bruce A generating stations, that Hydro's contract with Babcock and Wilcox for the

supply of boilers to the Darlington generating station be reopened with a view to implementing forthwith recommendation (b) of the committee's first report, namely, that Hydro should never again expose itself and the public of Ontario to the substantial risks and potentially harmful repercussions flowing from an unhealthy and an unwise dependence upon one supplier."

I have a new version of an amendment to the amendment. Because the amendment didn't mean anything, I'm going to allow the member for Durham West to place again his amendment to the amendment.

Mr. Ashe: Mr. Speaker, the actual amendment reads exactly as it did before. I apparently did not place it completely correctly—for which I apologize—and hope to put it in order now.

Mr. Speaker: Mr. Ashe moves that the amendment to the motion for the adoption of the report be amended by striking out all the words after "that" and substituting the following words therefor:

"That the report be adopted, with the exception of recommendation (c) on page 30, which shall be struck out and the following substituted therefor: 'Senior management of Ontario Hydro should fully inform the Minister of Energy of all the particulars relating to the procurement of major equipment following the awarding of the contract.'"

The House divided on Mr. Ashe's amendment to the amendment to the motion for adoption of the reports of the standing resources development committee, which was negatived on the following vote:

AYES

Auld, Ashe, Belanger, Bennett, Bernier, Birch, Brunelle, Cureatz, Davis, Drea, Eaton, Elgie, Gregory, Grossman, Havrot, Henderson, Hennessy,

Hodgson, Johnson, J., Jones, Kennedy, Kerr, Lane, Maeck, McCaffrey, McCague, McNeil, Miller, F. S., Norton, Pope, Ramsay, Rollins,

Rotenberg, Rowe, Scrivener, Smith, G. E., Snow, Stephenson, Sterling, Taylor, G., Timbrell, Villeneuve, Walker, Watson, Welch, Wiseman, Yakabuski.

NAYS

Blundy, Bolan, Bounsall, Bradley, Breaugh, Bryden, Charlton, Conway, Cunningham, Davidson, M., Davison, M. N., Di Santo, Eakins, Epp, Gaunt, Gigantes, Grande, Haggerty,

Hall, Isaacs, Johnston, R. F., Kerrio, Lupusella, MacDonald, Mackenzie, Makarchuk, Mancini, McClellan, McGuigan, McKessock, Miller, G. I., Newman, B., Nixon,

O'Neil, Philip, Reed, J., Reid, T. P., Renwick, Riddell, Ruston, Sargent, Smith, S., Stong, Swart, Sweeney, Van Horne, Warner, Wildman, Worton, Ziemba.

Pair: MacBeth and Edighoffer.

Ayes 48; nays 50.

The House divided on Mr. Bradley's amendment to the motion, which was negatived on the following vote:

AYES

Blundy, Bolan, Bradley, Conway, Cunningham, Eakins, Epp, Gaunt, Haggerty, Hall, Kerrio, Mancini, McGuigan, McKessock, Miller, G. I., Newman, B., Nixon, O'Neil, Reed, J., Reid, T.P., Riddell, Ruston, Sargent, Smith, S., Stong, Sweeney, Van Horne, Worton.

NAYS

Ashe, Auld, Belanger, Bennett, Bernier, Birch, Bounsall, Breaugh, Brunelle, Bryden, Charlton, Cureatz, Davis, Davidson, M., Davison, M. N., Di Santo, Drea, Eaton, Elgie, Gigantes, Grande, Gregory, Grossman, Havrot.

Henderson, Hennessy, Hodgson, Isaccs, Johnson, J., Johnston, R. F., Jones, Kennedy, Kerr, Lane, Lupusella, MacDonald, Mackenzie, Maeck, Makarchuk, McCaffrey, McCague, McClellan, McNeil, Miller, F. S., Norton, Philip,

Pope, Ramsay, Renwick, Rollins, Rotenberg, Rowe, Scrivener, Smith, G. E., Snow, Stephenson, Sterling, Swart, Taylor, G., Timbrell, Villeneuve, Walker, Warner, Watson, Welch, Wells, Wildman, Wiseman, Yakabuski, Ziemba.

Pair: MacBeth and Edighoffer.

Ayes 28; nays 70.

Report adopted.

The House adjourned at 10:40 p.m.

CONTENTS

Thursday, November 8, 1979

Report, standing resources development committee, Mr. Villeneuve, adopted 4337

Adjournment 4358

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Bradley, J. (St. Catharines L)
Bryden, M. (Beaches-Woodbine NDP)
Conway, S. (Renfrew North L)
Cunningham, E. (Wentworth North L)
Cureatz, S. (Durham East PC)
Davidson, M. (Cambridge NDP)
Edighoffer, H.; Deputy Speaker (Perth L)
Gigantes, E. (Carleton East NDP)
Haggerty, R. (Erie L)
Hall, R. (Lincoln L)
Kerrio, V. (Niagara Falls L)
Lane, J. (Algoma-Manitoulin PC)
MacBeth, J. P.; Acting Speaker (Humber PC)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Sargent, E. (Grey-Bruce L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Villeneuve, O. F. (Stormont-Dundas-Glengarry PC)
Warner, D. (Scarborough-Ellesmere NDP)
Watson, A. N. (Chatham-Kent PC)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wildman, B. (Algoma NDP)
Worton, H. (Wellington South L)

Ontario

No. 105

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Friday, November 9, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

FRIDAY, NOVEMBER 9, 1979

The House met at 10:01 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

REMEMBRANCE DAY

Hon. Mr. Davis: Mr. Speaker, on Sunday of this week, November 11, in communities across this country, ceremonies will be observed in memory of those men and women who died in the service of Canada in two world wars.

Just some six weeks ago in Holland, I had the great honour of visiting the Canadian war cemetery at Holten where more than 3,000 young Canadians are buried. For those of us who have been personally spared from the death and devastation of war, and especially our young people today, Holten is a stark reminder of the price so many Canadians paid to end oppression, to restore peace and to guarantee a lasting respect for the importance and the cause of freedom.

At the cemetery my thoughts turned to the thousands of young Canadians, many of them not much older than my own children are today, who marched off to fight a foreign war because of the values in which they believed and as Canadians wanted to be preserved. So many of them never returned to enjoy the freedom they helped guarantee for the rest of us. Names like Holten, Dieppe and many others are a part of Canada and what this nation stands for.

I rise today to express our remembrance of those who served and died and to urge legislators, parents, teachers and others to join together to remind all Canadians, and especially our young people, of the freedoms we enjoy by virtue of our citizenship and the very high price that was paid for those rights and privileges—that price paid by many Canadians.

Mr. S. Smith: Mr. Speaker, I want to rise to speak briefly and associate ourselves with the comments of the Premier of Ontario.

So many young people, when attending Remembrance Day services, or when parades or services occur in their midst, look on somewhat uncomprehendingly. There are some who even suggest that Remembrance Day is somehow an inappropriate glorification of war; and yet the opposite is true.

The fact is that it's our business to make sure young people realize that there were just wars in our history as well as some unjust ones. There were wars in which our people died so that we can have assemblies like this, so that we can express ourselves and so that we can live in freedom and have the hope of peace and continuing freedom for future generations.

Those who died, those who were wounded and are still with us and those who march on Remembrance Day, deserve our deepest affection and respect for we are, after all, carrying their torch. We hope our children—one of my children is here today—will never have to see war and that those who fought and died, died so that the world would be a peaceful world from then on. Certainly all of us want to remember those who gave their lives for this country, those who have been wounded on behalf of this country and those who continue to defend this country so that we can all live at peace and in freedom.

Mr. Renwick: Mr. Speaker, I rise on behalf of our caucus to support the remarks by the Premier and by the Leader of the Opposition.

It is a unique event in the history of Canada that we have now had a period of peace where for something more than a generation no Canadian soldiers have been actively engaged in war. That is unique for Canada in this century.

There are now very few of the survivors of the First World War still living in Canada. To them at this time at their age, I think this House should pay a special tribute. There are many of my own generation who served in the Second World War and others of that generation who served in the Korean War. To them and to those who suffered during the war, my colleagues and I join in the tribute which is paid to them.

I trust that the generations to come will be freed from having to participate in war. I worry sometimes, at odd moments, that perhaps those now growing up in Canada will tend to be unaware of the demands which were made on earlier generations. I do hope that the Remembrance Day services throughout the province and throughout the country

will help to make people realize there have been and may well again be occasions when the values to which we subscribe will require protection by force of arms.

Mr. Speaker: Could I ask all honourable members and our guests to rise and observe one minute's silence?

TALBOT TRAIL

Hon. Mr. Snow: Mr. Speaker, elected officials and citizens in southwestern Ontario have expressed their desire to have parts of highway 3 running along the north shore of Lake Erie, along with sections of highway 18, plus various county roads, designated as the Talbot Trail.

Today I am pleased to say the government has agreed in principle with this concept and will help a local committee develop this historic and scenic route as a tourist attraction. The Talbot Trail is named after Colonel Thomas Talbot, a stubborn Irishman who successfully fought for the establishment of this road in the early 1800s. Completed about 1826, it played a most significant role in the settlement of that part of Ontario.

The proposed Talbot Trail, stretching from Windsor in the west to Fort Erie in the east, will roughly follow the route of heritage highway 3, detouring along the way to include such areas of interest as Jack Miner's Sanctuary, Point Pelee, Rondeau Provincial Park and Niagara Falls.

The proposed committee will consist of one elected official and two private citizens from each of the counties or regional municipalities involved, with support from the Ministry of Transportation and Communications and the Ministries of Industry and Tourism, Natural Resources and Culture and Recreation.

Funding for the project will be raised by the local municipalities and directed by the committee. Provincial support will be through normal funding channels, programs and mechanisms. The Ministry of Transportation and Communications, for example, will assist the local committees to develop an appropriate symbol and place signs along that section of the highway which forms part of the designated Talbot Trail route.

In conclusion, Mr. Speaker, I would like to commend area residents and businessmen for taking the initiative in this project. I am confident it will attract many new tourists to the area while making significant contributions to the historical development of this province.

SCHOOL BOARD FUNDING

Hon. Miss Stephenson: Mr. Speaker, later today there will be introduced for first reading bills amending the following acts: the Education Act, 1974; the Municipal Act; the Municipality of Metropolitan Toronto Act and the Ontario Municipal Improvement Corporation Act. Each of these bills includes certain revisions necessary to implement the new role of the province as a lender in respect of the financing of capital projects to school boards. This role was specifically redefined in budget paper C of the Ontario budget, 1978, presented on March 7, 1978.

Essentially, this new role envisages a change in emphasis from long-term investment in debentures to direct capital grants. Beginning in 1980, the Ministry of Education proposes to pay the provincial grant on approved capital projects as the expenditures are incurred. The payments will be made quarterly on progress certificates submitted by school boards. A school board other than a board of education in the municipality of Metropolitan Toronto will be able to finance the balance of the cost of an approved project—that is the board's share of the amount approved for grant purposes, plus any cost in excess of this amount—by any one or a combination of the following: (1) out of current funds by revenues from taxation, subject to limitations established by the Education Act, 1974; (2) out of current funds from a reserve fund established for this purpose; (3) by the sale of debentures to the Ontario Municipal Improvement Corporation; and (4) by the sale on the open market of debentures of a municipality issued for school board purposes under an agreement therefor between the municipality and the school board.

Where a board initiates a project for which no provincial grant is payable, a board is, of course, able to issue its own debentures with the approval of the Ontario Municipal Board for sale on the open market. This will continue to be the case.

A board of education for an area municipality in the municipality of Metropolitan Toronto will continue to operate as in the past in respect of financing permanent improvements. Roman Catholic separate school boards will retain their existing rights under the Education Act, 1974 to sell debentures on the open market for any project.

Beginning April 1, 1980, the Ontario Municipal Improvement Corporation will replace the Ontario Education Capital Aid Corporation as the purchaser of debentures for approved school board capital projects, and offers by a school board to sell debentures

to finance the local share of approved capital projects are to be directed to that corporation. The Ontario Education Capital Aid Corporation will continue to receive payments made by school boards and municipalities on behalf of school boards in respect of debentures issued heretofore. It will also purchase debentures for the remainder of the fiscal year 1979-80 for those projects for which commitments have been made.

Accordingly, the Ontario Municipal Improvement Corporation Amendment Act, 1979 will enable the Ontario Municipal Improvement Corporation to purchase debentures issued by or on behalf of school boards.

Also, the Municipal Amendment Act, 1979 will contain provisions enabling school boards and municipalities to collaborate in the issuance of municipal debentures for school board purposes. This is desirable to accommodate the concern of municipalities, particularly regional municipalities, that there not be two sets of local government agencies regularly or frequently going to the market for capital financing, thereby affecting local credit ratings.

[10:15]

Included in a school board's annual estimates are expenditures for permanent improvements and for an allocation to a reserve fund. Such expenditures include the provincial grants applicable to such permanent improvements. Because of the change in the method of funding, the portion of the expenditure for permanent improvements that is recoverable by provincial grants in any one year may be considerably greater. Accordingly, the Education Amendment Act, 1979 will make the limitation to one mill on equalized assessment apply to the portion of the expenditures for such purposes that is to be raised by taxation.

A similar amendment is to be made to the Municipality of Metropolitan Toronto Act. In the case of the Metropolitan Toronto School Board, the limitation to two mills on actual assessment will apply to the portion of the estimated expenditures out of current funds for permanent improvements that is to be raised by taxation rather than to the total of such estimated expenditures.

Two other amendments are included in the Education Amendment Act. Section 1 will permit a school board to invest moneys not required immediately in a broader range of securities, and for the first time in the securities of credit unions or caisses populaires. These provisions are now substantially the same as in the Municipal Act in respect of investments by municipalities.

Commencing with the year 1980, new assessment equalization factors will be introduced which will tend to increase the assessment of residential and farm property in relation to that of commercial property. As part of the program of the government to moderate the impact of these factors, section 3 of the Education Amendment Act, 1979 has been provided to make the rate to be levied for school purposes on residential and farm assessment 85 per cent of the rate to be levied for such purposes on commercial assessment. This is a change from 90 per cent of the commercial rate, and is consistent with the provisions that are already applicable in respect of taxation for municipal purposes.

HIGH-SPEED CAR CHASES

Hon. Mr. McMurtry: Mr. Speaker, I indicated in response to questions from the Leader of the Opposition (Mr. S. Smith) on November 1, 1979 that I would be making a comprehensive statement in the Legislature this week on the subject of high-speed chases involving police officers.

As I stated on that occasion, police departments across Ontario have been provided with general guidelines which follow the intent of the pursuit policy established by the Ontario Provincial Police.

May I first of all quote directly from the relevant sections of part 10 of the OPP orders on traffic law enforcement. Section 503-1 states: "Where a member finds it necessary to stop a motorist for a traffic violation, he shall make the necessary manoeuvres with the utmost regard for the safety of all concerned, including the violator and himself."

Section 513-1, dealing with pursuit driving, states: "A member engaged in the high-speed pursuit of a vehicle must in the first instance consider the danger to the public and be prepared to relinquish the pursuit for less dangerous means of apprehension, such as the use of radio to direct assisting vehicles."

On December 6, 1965, then Deputy Commissioner T. H. Trimble issued a directive regarding the use of sirens and revolving roof lights which said in part: "All members of the force are reminded that our primary purpose in traffic policing is not to lay charges or to secure convictions. In the case of the speeder, it is to prevent speeding. It is particularly important when in pursuit of a speeding vehicle after dark the revolving roof light be on."

On July 29, 1976, then Deputy Commissioner L. R. Gartner forwarded to all OPP detachments copies of a memorandum prepared by Mr. Elmer Bell, then chairman of

the Ontario Police Commission, setting out guidelines for high-speed chases. Mr. Gartner reminded all ranks that existing OPP directives on the subject were to be strictly adhered to.

In his memorandum to all chiefs of police in Ontario, Mr. Bell noted that section 55 of the Police Act imposed upon police officers the duty of preserving the peace, preventing robberies and other crimes and apprehending offenders.

He said the prohibition of high-speed pursuit by police would give criminals a licence to drive at high speed without fear of apprehension. Mr. Bell argued that to allow high-speed offenders to proceed with impunity may and has occasioned death and injury to members of the public which might have been prevented and an offender apprehended if a high-speed pursuit had been instituted.

The 1976 memorandum set out the following guidelines designed to lessen the risks involved in high-speed pursuits.

Where the officer has reason to believe that the offending driver is guilty of a minor offence and seeks to escape the consequences thereof by driving at high speeds, he, the officer, should pursue with excessive caution, lest the consequences be more serious than the offence.

Where the officer's vehicle is equipped with warning lights and sirens, these should normally be used in order that the members of the public using the highways may be warned that a police pursuit is in progress and may, therefore, take precautions for their own safety. There are a few exceptions to this rule, for instance when the police officer may wish to conceal from the offender the fact that he is the subject of pursuit.

The officer in pursuit should, where possible, be in communication with his superior officer for instructions. Even if a superior officer cannot be reached, the officer should, where possible, institute through his station a CPIC and motor vehicle check of the vehicle pursued with a view to increasing the information on which his judgement will be based.

Through his station, the assistance of other police should be sought so that, if deemed practical, other action may be taken, such as setting up of roadblocks.

Mr. Bell's memorandum says it is obvious that the decision as to whether or not to engage in a high-speed pursuit is a judgement call. He declared: "The officer must consider traffic and road conditions and all other information which will balance the risks of the pursuit as against the obligation to apprehend the offender."

The chairman said it was the obligation of each force to ensure that all of its officers were aware of their obligations and the factors they should consider in making a decision regarding a high-speed pursuit. In a follow-up memorandum issued just this week by Judge T. J. Graham, now chairman of the Ontario Police Commission, he said that if a police officer permits a motorist to continue on at an unreasonable rate of speed the risk of serious harm may be just as great as in the case where the officer gives chase. I think we sometimes tend to forget that. If we simply allow speeding vehicles to carry on because there is some risk in a chase, what would the public reaction be if innocent bystanders were killed or injured?

Judge Graham has also forwarded for consideration the directives regarding high-speed pursuits currently in effect in Metropolitan Toronto and Peel region. Copies of these directives, along with the memoranda issued by Mr. Bell and Judge Graham, will be tabled with this statement today.

I am also tabling the directives issued by the Niagara and Halton police forces regarding pursuit procedures. In the Halton directive, issued just last August 28 by Acting Chief James Harding, the importance of carefully weighing the need for a pursuit in each case is stressed. The directive states, "That need must be carefully balanced against the actual or possible danger to the public and the driver and passengers of the offending or pursuit vehicle."

The Niagara police procedures, issued in 1976 following receipt of Mr. Bell's memorandum, ask all officers to be mindful of the safety of both citizens and police personnel. Officers are asked to take into consideration the amount of traffic, road conditions, the type of area involved and the seriousness of the offence concerned.

I should like to say a few words at this time regarding the present policy employed by the Ontario Provincial Police in relation to pursuit driving. A new recruit is given an outline of his responsibilities in regard to high-speed chases at the OPP training and development centre. In addition to the classroom training, the recruit is also given a familiarization driving test.

All members of the force must complete a defensive driving course to improve their skills. Each detachment has a force library which contains in-service training manuals, including Police and the Traffic Violator with its chapter on police pursuit.

As I indicated last week, in each individual case a high degree of judgement must be utilized to determine whether a high-speed

chase is appropriate. To do as the Leader of the Opposition suggests and ban all police pursuits, except in the rarest circumstances, would be irresponsible and an open invitation to all lawbreakers to speed away from a police officer attempting to apprehend them.

I do not intend to comment directly today on the two tragic incidents in Port Colborne and Burlington, which have been the subject matter of a number of questions in the Legislature recently, except to say that the circumstances appear somewhat different in the respective cases.

In Port Colborne a stolen car was involved and a high-speed chase having the duration of 77 seconds was in progress when the fatal accident occurred. The incident took place at three o'clock in the morning when there was no apparent traffic about. The roof light on the police cruiser had been activated and the siren had been sounded. The officer was in constant radio contact with his headquarters during the whole period.

In Burlington, the preliminary police report indicates that the police were attempting to get in position to clock a speeding vehicle when a collision occurred with a car making a left turn. In the Burlington case an inquest has been ordered. No inquest has been ordered in the Port Colborne case because of the fact charges have been laid.

No one is more distressed than the police officers involved when there are innocent people killed in these circumstances. They do not enter into these pursuits lightly because their own lives are often in danger.

Since the directive was issued by Mr. Bell in June of 1976, six people have been killed in high-speed police chases involving Ontario Provincial Police personnel. In the same period nine persons were killed in high-speed chases involving the 10 regional forces in Ontario. In respect to the other forces, we are still accumulating that information.

Mr. Speaker, we feel it is imperative that we do not adopt the simplistic solutions of the Leader of the Opposition to what is a most difficult problem. I want to assure members of this Legislature that my intention is to ensure that our police officers are properly trained and properly instructed in pursuit procedures so that they may make the right decision at the right time.

I have no intention of sending them out on patrol with one hand tied behind their backs, asking them to do their duty only when the lawbreaker is travelling within the speed limit.

Mr. Cunningham: Nobody is suggesting that.

Interjections.

Mr. Cunningham: That was one of the most disgusting bits of trivia I have heard from you in a long time. You are the worst Attorney General we have ever had, and that's saying something.

An hon. member: Bring back Fred Cass.

ORAL QUESTIONS

GAS AND OIL PRICES

Mr. S. Smith: I have a question of the Premier, Mr. Speaker. Will the Premier be taking to the Ottawa meeting on Monday any new proposals, any new arguments in favour of his existing proposals; and will we in this House be able to hear what some of these new proposals might be so that, if appropriate, we might offer whatever support we think these proposals may deserve?

Hon. Mr. Davis: Mr. Speaker, I think it is fair to state that the substance of what we have been saying now since August, in fact some of it for four or five years, will be reiterated. The language may be somewhat different; there may be some examples of some of the concerns that are implicit in what we have been saying, together with some illustrations of the impact we sense may take place here in this province depending on what the ultimate policy decision of the government of Canada may be.

I should say to the Leader of the Opposition that, actually, one doesn't go to these conferences with a totally formal, prepared text. Much of what emerges is by way of discussion between the participants of that particular form of gathering. I can assure the members opposite that we have very carefully canvassed all the constructive ideas that have emerged from many sources, although I have to add we have also sensed conflicting points of view over the years from people who have taken positions on these issues. However, we don't intend to mention those conflicting points of view in our discussions with the other first ministers.

Certainly I am not going to suggest the new proposal, the somewhat reversed proposal, of the Leader of the Opposition that in order to create some degree of internal harmony the producing provinces are entitled to zip. I must confess that is not our point of view; so he will understand I just want to warn him in advance.

[10:30]

Mr. Speaker: In the interests of harmony within this Legislature perhaps you could address yourself to the specific question.

Hon. Mr. Davis: The specific question, Mr. Speaker, regarded what proposals we will have and what we will not have. I think it is a fair observation to tell the Leader of the Opposition part of our proposal will not be that the producing provinces receive nothing for their resources. I don't want the Leader of the Opposition to be disappointed Monday morning, as he is glued to his television set watching what is going on, because I don't say the producing provinces should get zero.

Mr. S. Smith: Supplementary: I may be disappointed if he doesn't say the oil companies should have zero, but he always conveniently leaves that out when discussing our proposal.

However, would the Premier consider taking with him some proposals that might lend some weight and validity to Ontario's negotiating position? In particular would he consider the following: a manufacturing strategy to show we are well placed to take advantage of any break we might get on oil prices instead of wasting it as many of our previous manufacturing strategies seem to have done?

Would he have a comprehensive conservation program to show to the other first ministers who believe, it would appear, only price can determine a form of conservation? Will he show there is a different kind of conservation program ready to go into place to save Canada's oil without having to be hit by high prices?

Will he demonstrate a real commitment to a program of substitution of other fuels, such as methanol, to reduce the dependency on oil which presently exists; or is he just going to go in and ask again for a low price and have everybody tell him that is impossible?

Hon. Mr. Davis: The Leader of the Opposition perhaps has not had sufficient time to look carefully at the total proposal from this province. It has been available for quite some time. Actually the policy suggestion from this government really goes beyond those things the Leader of the Opposition has already mentioned.

One of the basic concerns we have, which he probably doesn't share, is that whatever emerges in these discussions—and my view is they won't all be finalized by any means on Monday—one of the prime objectives in the interests of the consumer must be that of energy self-sufficiency or security of supply; that has to be fundamental. I think if one were to ask the average person in this province at the moment he would have to say that security of supply is one of the prime concerns. That, quite frankly, is one of the main thrusts of our proposals and our discussions.

In terms of substitution, not only have we advanced this well in advance of some observations from the opposite side of the House, but much of this is presently going on with respect to the substitution of natural gas for oil. I think it must be restated on Monday that while in many urban areas there can be substitution of natural gas for oil, we have to be concerned about those areas in the province, those smaller rural communities, where the substitution of natural gas for oil is practically impossible. This must be part of the total consideration of any national policy. Some consumer form of protection, or some form of credit for people who cannot substitute or people on fixed incomes, et cetera, must be a part of such a policy. This is a very specific part of our presentation.

We set out in the second of the papers how this province feels we should move with respect to our own security of supply or independence within this province. I don't think it would serve any useful purpose to get into a debate here this morning as to the degree to which we believe electrical energy can act as a substitute for oil, but we think that is significant. We think the potential of this is great. I won't go on and be provocative this morning and suggest I don't sense that same interest or commitment on the part of the members opposite.

With respect to the oil companies, our position on this has been very simple. We believe there has to be sufficient money for further exploration of offshore and other frontier areas. I think it would be foolish to suggest there shouldn't be funds in some way available for further development in the context of security of supply. I have no hesitation in saying if there is to be, and we believe there must be, a fifth, sixth, seventh, eighth and ninth Syncrude plant or whatever terminology one may wish to use, that it is essential in achieving that objective—

Mr. di Santo: Time, time. Come on.

Hon. Mr. Davis: I got a very lengthy question. I was asked what proposals we had. The Leader of the Opposition would not be happy if I were to confine it to one proposal.

We are going to be suggesting further development of the tar sands and that funds from whatever source are essential in terms of security of supply. We can't have energy sufficiency—

Mr. Sargent: That's a way down the line. Talk about today.

Ms. Gigantes: Go and tell Alberta what their oil production is.

Hon. Mr. Davis: With great respect to the interjectioners—

Mr. Speaker: Order. In the interests of time, perhaps the Premier could—

Hon. Mr. Davis: I am glad the Leader of the Opposition asked me. I am just rehearsing all of those things I am going to say on Monday.

Mr. Speaker: Not at the expense of all members of the Legislature.

Hon. Mr. Davis: I assumed that all members of the Legislature were interested in this discussion that will be going on Monday. That, in brief, represents some of the thoughts that will be expressed on Monday.

Mr. Kerrio: Supplementary: In view of the fact that the iron ore producers, the steel-making industry, the pipe-making facilities, involved in the installation of natural gas pipelines are all Canadian, would the Premier place that as a very high priority as an alternative to using the kind of oil brought into this province? Would he place that on a very high priority in the province of Ontario as a first meaningful step in substituting gas for oil?

Hon. Mr. Davis: I don't know that I totally understand the question. If the member opposite is asking me whether this government feels strongly that natural gas should be substituted for oil wherever possible, where it makes economic sense and where it will mean a conservation of the other resource, the answer to that is very simply yes. We are doing it, we have been doing it and we are encouraging others to do it.

I should point out to the member opposite, though, that he is putting it in fairly simplistic form, because one has to relate the desirability of that policy, which incidentally I think is supported by the producing provinces, with their expectation that it is part of an increased or perhaps modified price on natural gas and that some consideration be given with respect to their export capacity. I just point that out as their point of view.

Mr. S. Smith: Does the Premier not recognize this may be the last winter in which we have anything like a reasonable supply of oil, and with events in Iran we may not even have it this winter? Does he not recognize that we have an enormous interest in Ontario in the massive substitution of natural gas for oil, obviously not in the most remote communities but wherever it is conceivably possible?

Will the Premier of Ontario, therefore, propose at the first ministers' conference a policy whereby there are no additional exports of the cheap and easily available natural gas to the United States, leaving us eventually with the more expensive gas, as is going to be the case with oil? Will he be clear on that fact; and will he, for his part, since the producing provinces won't like that idea, agree to helping in a massive program of additional pipeline construction, of consumer subsidy with regard to furnace change-overs and also to the extension of the pipeline through to Quebec and to the maritime provinces? That is a massive change to natural gas, and, admittedly an expensive change, to get us so that we are dependent on a fuel we have plenty of rather than one which is going to be scarce. That means no additional exports. Will he bring that message to Ottawa?

Mr. Kerrio: We are all Canadians.

Hon. Mr. Davis: In many respects, that is exactly what the second paper has said and exactly what we have been saying. Our intervention with the National Energy Board is really quite consistent with that.

I should point out, though, to the Leader of the Opposition, that he should be very careful about being so expansive in terms of pipelines for natural gas, which we support. However, there has to be some understanding that in the mechanism and the policy related to those there is an impact on the consumers of this province. For him to say to me, "Just go blindly and support it," he oversimplifies every single issue without realizing and looking down the road and disclosing all of these things in terms of these debates.

I just ask the member, as a consumer of gas myself, please leave us a little room to make the point—

An hon. member: And a producer.

Hon. Mr. Davis: I burn it, he produces it.

Please leave me the opportunity in these discussions to make it clear that as we extend these pipelines a policy has to be developed where the existing consumers are not paying the bill. Please try to understand it, I know it is not easy. It took me a while and I know it is taking you a while, but please—

An hon. member: Don't be so condescending.

Hon. Mr. Davis: Oh come on. Some day when the member asks a straight question which gives me some indication that he understands I will try to explain it to him. I have done my very best, and I suggest

members opposite watch Monday morning and see whether or not all these proposals are put very clearly to the government of Canada and the other provinces.

Incidentally, Mr. Speaker, as part of the first question—

Mr. Speaker: Order.

Hon. Mr. Davis: No, I am still answering the first question.

Mr. Speaker: You weren't. With great respect, you weren't.

TEACHER-BOARD DISPUTES

Mr. S. Smith: A question for the Minister of Education. Given what seems to be a somewhat deteriorating educational climate in the North York secondary schools, and given that various positions and stances taken by the parties in that dispute, does the minister feel that perhaps the time has come to move into that dispute more vigorously; to try to impose on the parties an arbitrated settlement so that the matter does not fester and continue with a legacy of bitterness that seems to be developing in that particular dispute?

Hon. Miss Stephenson: I am convinced that the Educational Relations Commission has been monitoring the dispute in North York with great care and that they will be making proposals to both sides.

However, I would remind the honourable Leader of the Opposition that the North York school board proposed just three days ago that the remainder of the matters in question be referred to binding arbitration and that position was rejected by the teachers' federation at that point.

It is my understanding that there are some discussions going on with the two parties at this point—not together—in order to try to resolve the situation which is at present in existence.

Mr. S. Smith: If I may ask—if Mr. Speaker will permit a supplementary which relates to a dispute about to happen.

Again, in the Brant county elementary school teacher dispute, which looks as though it may lead to a strike shortly, is the minister just going to let that one go on and go through the usual procedures of Bill 100 and so on?

Is the minister not somewhat concerned about the climate which is created by this particular dispute? And is the minister now coming around a little closer to the point of view which I expressed in this House some time ago, which is that we should have arbitrated ends to these disputes with a permanent group of arbitrators so we don't have to go through work to rule, bitterness, years without contracts, strikes in the elementary and secondary system in Ontario? Isn't it time to act now and not wait for the royal commission, or whatever it is, to come in with more studies of existing studies?

Hon. Miss Stephenson: Unlike the honourable Leader of the Opposition, I do not consider myself to be omnipotent or omniscient, and I feel very strongly—

Interjections.

Mr. Speaker: Order.

Hon. Miss Stephenson: —that the legislators of this province would do well to consider the thoughtful opinions of those who have the opportunity and, indeed, the task now of examining all of the aspects of Bill 100, with the help of not only the parties to bargaining but also those who are directly affected, the students, the parents, the parent-teacher associations within the province of Ontario. I will not presume to prejudge the deliberations which that commission will carry out.

[10:45]

The honourable Leader of the Opposition seems to forget there are mechanisms which were set up in 1975 in order to ensure that an orderly approach to the negotiating program between teachers and boards would be established. That approach is in existence within Brant county, within that school board's jurisdiction. I'm very much aware that the new chairman of the educational relations commission is not only extremely concerned about that situation but is actively involved in examining it at the present time.

Mr. Cooke: Mr. Speaker, I'd like to ask the minister if when she's looking at Bill 100 would she also look at the Windsor situation whereby the teachers went through the process of Bill 100? While it was a struggle, the end is the relations between the board and the teachers in that city are better now than they've ever been and Bill 100 has worked.

Hon. Miss Stephenson: Mr. Speaker, I think I've said upon occasion within this House that there have been very great benefits to the entire system with the introduction of Bill 100. There are some problems, but overall, out of 920 agreements 900 were settled amicably. In fact, there have been developments which have improved situations in certain very agitated areas.

I am not suggesting all of Bill 100 will automatically be rejected by the commission. The commission has been asked to examine Bill 100 in the light of the experience and

concerns expressed by the parties to bargaining and to those who are directly affected by the bargaining system.

Mr. Conway: A question to the minister of Education about the response to my leader's first question: Recognizing this is a government which has very recently gone on record—the Premier and others—as standing for the Lord's Prayer in our school system, I am wondering whether or not this is a government which, with respect to the violence spoken of and reported in the North York school system and reported in the media not very long ago, has undertaken any initiatives to restore peace and order or at least ensure peace and order will be restored to those schools in the North York system which in recent press reports were reported in such a position as drawing away from that?

An hon. member: Similar to New York city.

Hon. Miss Stephenson: Mr. Speaker, first, I'm not sure that's a supplementary question. Second, I'm somewhat alarmed at the adolescent approach to a matter which is the responsibility of the school board which has jurisdiction in that area. I do not intend to call in the army in this situation. I think that would be entirely inappropriate.

An hon. member: Have you got one, Bette?

Mr. Breaugh: Hear, hear.

Interjections.

Hon. Miss Stephenson: We have had far greater escalation of certain mischievous incidents than should have occurred within the North York school system. I do not think the kind of statement made by the member for Renfrew North would be in any way conducive to solving that problem.

I have been in contact and will be again with the student association within North York which has very grave concerns about this and which I think is approaching this whole matter in a very responsible way. I'm proud of the student organization in the city of North York because the presidents of the student associations have been extremely responsible in attempting to subdue the intermittent outbreak of mischievousness which has occurred in two or three of the schools.

Mr. Speaker, I am aware it has been induced on a couple of occasions by people who were not members of the student body in those schools and by other means that I gather are being explored right at the moment.

Mr. Conway: Surely that's a matter of some concern to you?

Hon. Miss Stephenson: It's a matter of great concern.

GAS AND OIL PRICES

Mr. Renwick: Mr. Speaker, my question is of the Premier. I hope, because of the fact I asked his colleague, the Minister of Intergovernmental Affairs (Mr. Wells), a question last week about President Carter's visit which led to its cancellation, this question will not lead to a cancellation of the first ministers' conference on Monday.

Mr. Speaker, will the Premier tell this assembly, and through this assembly the people of the province, in the light of his impending negotiations on Monday next, about the here and now of the price of energy in this province next year? What is the upper limit and what is the bottom line of his negotiating position on the question of price, so we can understand the parameters beyond which the position of the Premier and of this government is non-negotiable?

Hon. Mr. Davis: I am sure the member for Riverdale really understands the system better than the question would indicate.

An hon. member: Be honest now. You mean he got you on that one.

Hon. Mr. Davis: No, no. I am just trying to remind him of his own area of expertise—

Mr. Warner: You're in a corner.

Hon. Mr. Davis: He well knows these discussions are not negotiations in that sense of the word. There has never been, historically—and in this area we can only go back about five years—a negotiation that led to an agreed arrangement. The constitutional or legal terminology, or whatever kind one may wish to use, provides for an agreement as between a producing province and the government of Canada under the statute that exists, whereby the government of Canada can involve itself in the pricing of a natural resource from a provincial jurisdiction.

The discussions on Monday will be similar to those we had four years ago, where the various provincial Premiers were permitted—one might even say in this situation encouraged—to present their points of view as to what they see should happen, both in terms of price and in terms of energy policy per se.

It is not a case of any provincial jurisdiction, other than the producing province, saying, "Here is the bottom line." We do not sign agreements. We do not have the right to say to the producing province, "If it isn't what we think, then there is no deal."

We are in the position—and this hasn't changed in five years—where the consuming

provinces that are not producers are not parties to the agreement. This is something that perhaps is not understood by everybody; but that happens to be the reality. It is in that context that the discussions have taken place in the past and will continue to take place on Monday and perhaps from there on in.

Mr. Renwick: By way of a supplementary question, Mr. Speaker, will the Premier please do us the courtesy of understanding that we understand that? We understand that very clearly. The Premier, nevertheless, is going to sit down with his fellow first ministers on Monday next. He will be sitting down with those Premiers and the Prime Minster of Canada and they will ultimately reach an agreement on that which will be signed. I am asking the Premier, what is the point in going to that meeting unless he has some specific area in view beyond which he is not going to accept whatever that negotiated agreement is, given the weakness of his position?

Mr. T. P. Reid: They are certainly going to tell you that.

Hon. Mr. Davis: I think our papers presented to date make our position quite clear. I am sure the member for Riverdale understands all that is contained therein. They will form the basis of our submissions at the first ministers' meeting on Monday.

Mr. Renwick: By way of a further supplementary, let me try once more. I understand that the Premier has said, as he sits there today and pending that meeting on Monday, that the only thing he is aware of with respect to the increase in the price of fuel oil in Canada is the $1 next February.

There is going to be discussion about other elements of that price for the balance of next year. What are the limits within which the Premier is prepared to make some concession, if that is necessary, and what are the limits beyond which he will not go?

Hon. Mr. Davis: I think it is quite impossible, Mr. Speaker, to answer that question. We have argued the dollar increase and there was some thought that perhaps the agreement might have been altered as of September 1.

One of the reasons that prompted us to release the paper in August was because of certain statements from the government of Canada that it felt a fairly immediate and rapid move to world price would make economic sense. Those statements, as I recall, were in July. As a result of our paper and the real debate that has emerged, there is a growing consensus that the agreement will stay in place, which means $1 on January 1, which carries us through until July 1.

I should point out to the member for Riverdale—and I'm not trying to be facetious —there are several aspects to this. Our paper said very clearly that before a determination was made on price we felt certain other preconditions had to be addressed. I think the question of price has to relate to the question of distribution.

How can I say to the member that Ontario might accept any particular figure if, in fact, the question of distribution hasn't been resolved, if there isn't a commitment to security of supply or a national objective of self-sufficiency, or if there isn't some consideration in these discussions of some form of consumer protection? I think it's impossible.

The member has been in negotiations. He's done it in his other profession. For me to say what is the bottom line, what is it in terms of price, when one doesn't address the other important aspects of what I hope will be discussed on Monday, really is totally impossible. I'm sure the member for Riverdale understands that.

Our paper makes it clear. We know that price is going to increase. There's not a person in this House who feels there isn't going to be an increase. It's the extent of the increase, it's what is done with the increase, it is the distribution, the question of security and consumer protection which we have urged be put on the table to have some policy developed.

We just don't sit down and debate how much the price should go up, because we've been down that road. We did this in 1974-75. We urged at that time some consideration of a national energy policy. I'm not being critical, but the truth of the matter is a problem was resolved on a short-term basis. Price was settled in 1974-75 but some of the major problems were not, and we're saying to the other provinces and to the first minister of this country, "Please, let's address these other issues before a determination is made on price."

For me to say today what is the bottom line, what is the upper limit, et cetera, really is dependent upon what success we have in some of these other areas. I'm sure the member for Riverdale, being a reasonable sort of person, will understand that's the posture we must take as we go into these discussions.

Mr. Renwick: Mr. Speaker, I had of course thought that in the position the Premier is forced to take in Ottawa he would have wanted to have the support of this House expressed in some way by a resolution to

support his position when he goes there on Monday.

ENERGY CONSERVATION: PUBLIC TRANSIT SUBSIDIES

Mr. Renwick: Mr. Speaker, my question is to the Minister of Energy. The Premier said a few minutes ago that he was very interested in the substitution of electricity for oil in the energy productivity and energy conservation programs of this province.

Given the reaffirmation in the minister's September statement of what the Premier has said in his earlier statement about the need for assistance to the public transit systems of this province, and given the inadequate response last week, on October 26, by his colleague, the Minister of Transportation and Communications (Mr. Snow), in correspondence with Metropolitan Toronto and the other municipalities with public transit systems about the operating subsidy formula for the coming year, my question to the minister is:

Is that the total response of this government with respect to the need to correct the balance beween public transit and private automobile and the assistance this government is prepared to give to the public transit systems in the various cities and municipalities that operate them throughout Ontario?

[11:00]

Hon. Mr. Welch: Mr. Speaker, it would be somewhat presumptuous of me to be responding to questions that really are the responsibility of my colleague, the Minister of Transportation and Communications, except, as I say, the spirit of the question, that deals with addressing the whole conservation area and the demand area, which has to be part of an overall energy policy, keeping in mind that half of the consumption of petroleum products in this province is in the area of transportation, and keeping in mind the generosity of the province of Ontario with the millions of dollars that have gone by way of capital grants with respect to our public transit systems and very generous grants with respect to operating subsidies. I think, from the standpoint of public transportation, this is a very real area which has had generous government support.

I can't comment on all of the details with respect to how it's received by various municipal transit commissions, but certainly overall the record speaks very clear with respect to where this government stands and where it's put substantial funding with respect to public transit.

Mr. Renwick: By way of a supplementary question, I'm not particularly interested in the generalities of what the minister's views may be about the generosity of his government. I am very much interested in the very specific statement contained in his statement made in September, following upon the Premier's statement about the area of public transit as a major area for the minister's conservation policies with respect to the productivity of energy in the province.

My question to the Minister of Energy is, is his ministry going to take any steps in addition to the steps taken by the Minister of Transportation and Communications, or is the government going to take any steps to provide the kind of operating subsidy assistance to the public transit systems throughout Ontario that will provide for a higher degree of ridership and a substantial and significant increase in the operating service provided by those systems?

Mr. Speaker: Really, that question is far afield of the original question.

Ms. Gigantes: No, it's not.

Hon. Mr. Welch: Mr. Speaker, I thought I had, in answer to the first question, already made some comments with respect to the extent to which this government has dedicated itself to the support of public transit. Indeed, in the estimates of the Ministry of Transportation and Communications, which I assume have now been considered, there is no question that this government, over the period of years, has made a substantial investment both in capital and ongoing operating subsidies.

Mr. Sargent: Supplementary: Did the minister say he had concerns about public transit? I say, like hell he has. In western Ontario we have thousands of miles of idle track and we can't get there unless we go by bus. There are no trains at all.

Mr. Speaker: Order.

Mr. Sargent: What is the minister doing about public transit up there?

An hon. member: That's a good question.

CHICKEN IMPORTS

Mr. Riddell: I have a question of the Minister of Agriculture and Food. I might say it's a delight to have the minister drop in this morning. We hope his busy schedule allows him to keep coming, because many of my colleagues want to ask him some questions too.

Mr. Speaker: Does the member want to make a speech?

Mr. Riddell: I could do that, too.

Mr. Speaker: Go to the balcony if that's what you want.

Mr. Riddell: Considering that chicken producers from Ontario are making another charge on Parliament Hill today to protest chicken importations from the United States, and hoping to meet not only the federal Minister of Agriculture and the opposition critic but also the President of the United States as well, although we now know that his trip to Ottawa has been cancelled, what assistance is the minister rendering to our Ontario producers whose industry could be in jeopardy with the United States-Canada agreement which would permit 48.5 million pounds of American chicken into Canada next year?

Hon. Mr. Henderson: Mr. Speaker, I do appreciate the comments of the honourable member hoping that I will be here for many months to come, and many years as well.

Mr. Sargent: Get on with the act.

Mr. Eakins: More than just on Fridays, though.

Hon. Mr. Henderson: In response to the honourable member's question, I would want him to know that this morning I spent half an hour with the head of the chicken producers of this province. This morning at the meeting he was telling me how happy he was with the position of the provincial government with respect to the chicken producers of this province.

On Tuesday morning of this week, Mr. Speaker, I had the opportunity of speaking to the federal Minister of Agriculture for half an hour on the phone. I made our position with respect to chicken imports quite clear to him. I made it quite clear that we in Ontario should only accept the proportion of the imports that we consume relative to the total amount of chicken that is consumed in Canada.

I have requested the federal Minister of Agriculture to review his present position with respect to imports. He made me aware that he is studying it. At this moment there will be no review, but that review might well start January 1. He is reviewing the position.

The chicken producers themselves are fully aware of my position. In addition to this, the Minister of Agriculture and Food for Ontario has asked the federal Minister of Agriculture, he has asked Mr. de Cotret, he has asked the Honourable Mike Wilson for a meeting, in order to put our position in a stronger position with the government of Canada. I have the full support, as of an hour and a half ago, of the chicken producers of this province.

Mr. Riddell: I am glad to see the minister is making some concerted efforts to resolve the problem. But what representations has he made to Maple Lodge Farms, the largest importer of chickens in Ontario? Ontario accounts for approximately 90 per cent of the Canadian importation of live chickens. What representation has the minister made to Maple Lodge Farms to inform them of his policy to make Ontario more self-sufficient in food production? How can this be accomplished if imports are going to take preference over Ontario-produced chickens? Furthermore, is the minister going to insist these chickens coming in from the US be tagged, so that they can be marked when they are sold to the consumer as a product of the United States, rather than having all this chicken being marked as a product of Canada?

Hon. Mr. Henderson: We certainly debated this subject about two weeks ago. The member for York South (Mr. MacDonald) is suggesting a citizenship for chickens.

About two weeks ago I went over the import regulations, and determined that when chickens come in here for slaughter and are inspected by the Canadian inspectors, before they are consumed by the Canadian people, no markings are required.

Mr. Riddell: There are for fruit products and it makes a lot of sense.

Hon. Mr. Henderson: There is no comparison between the two. Fruits and vegetables, when they come in here, are already packed in containers ready to pass on to the consumer. But not when the poultry comes in on a live weight basis. I think the member for Sudbury (Mr. Germa) suggested that maybe the tourism ministry should put a stamp on them, but I don't think I could agree with that. Had the member for Huron been here two weeks ago, he would know all of my answers.

Mr. MacDonald: I would like to try to get a specific clarification of the government's position on this.

Since the government in Ottawa has okayed the importation of 48 million pounds for this year and 42 million pounds or thereabouts for next year, and the minister has said Ontario's position is that we should import only our proportion of the Canadian national consumption, what is that figure for Ontario? How much are the imports now in excess of that figure and what is the ministry going to do to cut them back?

Hon. Mr. Henderson: Mr. Speaker, this honourable member was here when I went

into this. His attendance is pretty good in the House.

Mr. MacDonald: But you didn't answer my question.

Hon. Mr. Henderson: In answer to the honourable member's question, I explained some two weeks ago that the imports that are going to be allowed are something like 6.2 per cent of the total consumption. I pointed out that that was down from 6.8 per cent. In Ontario we welcome the fact that we now have a ceiling. Our ministry, and I as the minister, would certainly have liked it to be a lesser amount, but we recognize the government of Canada has the authority. We want to be law-abiding citizens and we are going to live under the laws of the government of Canada.

I really don't like to admit the honourable member's seniority to the Minister of Agriculture and Food, but he is quite knowledgeable about the population of Canada. He is quite knowledgeable that we in Ontario have about a third of that population, and we think that is a fair share.

Mr. MacDonald: On a point of order, Mr. Speaker: I specifically said how much is that in excess of our current imports or how much are we importing now, and he hasn't answered.

Mr. Speaker: That is not a point of order. Perhaps he chooses not to answer.

Mr. Hennessy: The member knows that is not a point of order.

Mr. Speaker: Order. Does the minister have anything further to add?

Hon. Mr. Henderson: Yes. I suggest I did answer his question. We don't have the total poundage of imports for 1979 as of this date. We do have the total imports for the year 1978. It is 6.8 per cent of the consumption. I said the new regulation is going to permit 6.2 per cent. So I think I answered his question.

Mr. MacDonald: That is not answering the question.

CHOICE OF PHYSICIAN

Mr. Isaacs: I have a new question for the Minister of Labour. Is the minister aware that the Workmen's Compensation Board is not ready and willing to allow those who are receiving compensation to transfer their medical treatment from an opted-out physician to a physician who respects the aims and objectives of the Ontario Health Insurance Plan?

Does the minister realize those who are receiving treatment under compensation sometimes also require medical treatment that is not related to their work injury? Does he not accept that it is reasonable for a person to want to receive all his medical treatment from one physician, rather than having to go to one physician for treatment under compensation and to another for treatment under OHIP? Will he direct the board to accept opting out as a reason for which board claimants can automatically switch from one doctor to another?

Hon. Mr. Elgie: I am not aware of any board policy in that regard, but I will certainly have discussions with them and report to the member.

Mr. Isaacs: Supplementary: While the minister is investigating that matter, will he perhaps also prevail upon the Ontario Medical Association or upon his colleague, the Minister of Health (Mr. Timbrell), to ensure that families whose only source of income is a WCB pension will not be charged more than the OHIP rate for medical treatment?

Hon. Mr. Elgie: I will be glad to discuss that matter with the Minister of Health, but I think the member should put that question to him directly when he is in the House.

WATER RESCUE SERVICE

Mr. O'Neil: Mr. Speaker, I have a question of the Minister of Transportation and Communications, a question which also relates to the Minister of Health (Mr. Timbrell) and the Attorney General (Mr. McMurtry). It relates to the recent death of a 13-year-old youth who was a member of the Royal Canadian Sea Cadet Corps in the Quinte area who was left clinging to a sailboat and drowned because of inadequate rescue service in the Bay of Quinte-Lake Ontario region.

Will the minister, along with his colleagues, look into the water rescue service as it pertains to why a privately owned rescue boat is not allowed to use ambulance radio frequencies for rescue? Will he give consideration to funding such a service, whether through the Ontario Provincial Police, some other government agency or a private service? Will he undertake a thorough study of this matter to see such a thing does never happen again?

Hon. Mr. Snow: There are a lot of questions on that particular matter. Not being aware of the particular unfortunate incident and because of the fact that some of the matters the honourable member mentioned will have to be consulted in other areas, such as the communications frequency allocation, which is at the level of the federal govern-

ment, I would ask to take the question as notice and I will reply later.

[11:15]

Mr. O'Neil: Supplementary: Would the minister also speak with the Attorney General or the Minister of Health to see whether funding could come from either one of these ministries, or additional service with the OPP from the Attorney General's department?

Hon. Mr. Snow: Yes, the Solicitor General and the Attorney General have both just heard the statement and I am sure they will respond to it.

CONDOMINIUM LIST

Mr. Philip: I have a question for the Minister of Consumer and Commercial Relations concerning the inaccessibility of certain information produced at taxpayers' expense by Condominium Ontario.

Now that the Etobicoke Condominium Association has established a committee to organize a lawsuit challenging the constitutionality of that section of the Condominium Act which imposes a levy on condominium owners, after that section has been proclaimed by the minister, and now that the Etobicoke association will be soliciting funds from condominium corporations throughout the province to help finance that lawsuit, will the minister instruct Condominium Ontario to supply or to make public the list of condominium corporations that was produced at taxpayers' expense, so that the Etobicoke Condominium Association may be able to use that list to solicit funds for its lawsuit?

Hon. Mr. Drea: I'll look into it and report back to the House. I must say, I am complimented that notwithstanding all the adverse remarks made in my estimates, the third party now agrees that I have the accurate list.

An hon. member: You don't have the accurate list but let's have what you've got.

Mr. Philip: By way of supplementary, no one was indicating that. As a matter of fact, all that we indicated was that considerable tax money was spent trying to acquire a list.

Does the minister agree, therefore, with the Kealey commission report, in particular, recommendations 111 and 112, which clearly states that a list, a public list of condominium corporations is needed in this province, so that all people who are interested in communicating with condominium corporations may have access to it; and does the minister further understand, therefore, that people who have contrary views to that of the government and Condo Ontario should have some access to every condominium corporation and board of directors in Ontario?

Hon. Mr. Drea: Quite naturally, I agree with the desirability of a list, as expressed in the Kealey report. If my list isn't accurate, I humbly suggest to the member what does he want it for? Furthermore, in regard to any dissemination of a list, I have no concerns about that. I think some of the obvious reservations would have to be attached. But one wouldn't actually sell the list to somebody in the direct mail order business, or so forth.

Mr. Breaugh: You mean you wouldn't do it if he didn't do it.

Ms. Gigantes: That's awful.

Hon. Mr. Drea: There are some obvious restrictions on it, but I'll be very glad to reply to the member, and to his satisfaction I would hope, next week.

ESL PROGRAMS

Hon. Miss Stephenson: On November 5, the member for Oakwood (Mr. Grande) suggested in a question to me that the North York school board had 456 students identified as needing English as a second language and 115 were getting needed help.

This matter has been investigated thoroughly and the answer to the allegation is that it is entirely untrue. The North York board has completed an audit of all of those young people requiring English-as-a-second-language training, and at the present time the staffing for ESL in North York has more than doubled the rate provided by the Metro formula.

In the second question, the honourable member suggested strongly that boards of education in the province were forcing teachers to remove children from special programs to make room for new arrivals.

We have discussed this matter with those boards most likely to be involved with this problem—the Metropolitan Separate School B ard, Toronto board, North York board, borough of York board and Metro school board—and they all indicate that the member for Oakwood's statement is specifically untrue. They are not forcing students from the program in order to accommodate new arrivals.

PSYCHOLOGICAL TESTING

In addition, yesterday the member for Kitchener-Wilmot (Mr. Sweeney) asked a question related to what he called psychological testing within the school system without the specific approval of parents.

The test to which the honourable member referred, I think, is the one that has been raised by one parent in the city of Toronto, related to an assessment that is a part of the early identification program. This is not considered by either the Toronto school board psychological staff or by the special-ed branch of the ministry to be a psychological test. In fact, it is a test that is an attempt to indicate whether any of the children in question might have a learning disability or some impediment in terms of their learning process.

However, in the light of the concern that has been expressed, we have referred that test specifically to the Toronto Psychological Association for its assessment, as to whether or not indeed it is a psychological test. At the present time, in the view of the psychological staff of the Toronto board and our own special-ed branch, this is not a test that should be called a psychological test.

ANSWERS TO QUESTIONS

Mr. G. I. Miller: A slight point of order: The minister just responded to two questions, neither member is present in the House. I wonder if the Speaker might indicate that since opposition members in asking questions obviously have to wait for the minister to be present to do so, would that same courtesy be reasonable to ask for in response?

Mr. Speaker: Perhaps the member in his capacity as the chairman of the procedural affairs committee might wish to look into that and recommend to the House.

REVIEW OF BILL 100

Mr. G. I. Miller: I have a question for the Minister of Education and I know it has been discussed this morning at some length. In view of the strike at Haldimand County Secondary School last spring, which went on for two months, when it came out very clearly that the students had rights only under the Education Relations Commission, which doesn't seem to be working effectively, I wonder in reviewing Bill 100 if these rights could be incorporated into the bill, so that the students are used fairly and are assured of their education?

Hon. Miss Stephenson: Mr. Speaker, I am sure the members of the commission appointed to examine Bill 100 would welcome the submissions of student organizations or of members of the Legislature who have specific points of view they would like to express. That is a very valid concern that the honourable member has expressed, and I would hope he would take the time to write to the chairman of the commission to express that concern for potential inclusion within a modification.

Mr. G. I. Miller: Supplementary: Would the minister, when setting up the commission, make them aware of that problem? I don't think it came out very clearly in the report that she made to the House on the guidelines for the commission.

Hon. Miss Stephenson: The guidelines are sufficiently broad that any aspect of the activity or the scope of Bill 100 can be examined by the commission. I have specifically suggested that indeed, those interested citizens, those interested members of the Legislature and anyone who would like to make a submission, do so in writing to the chairman of that commission and make him aware of the concerns that are being expressed.

Mr. Ruston: Supplementary: With regard to the rights of students, if a student loses seven weeks in grade nine, three weeks in grade 10 and three weeks in grade 12 because of strikes, do you not think they are entitled to some rights when they have to lose over three months in school?

Hon. Miss Stephenson: Of course the students have rights. I would be happier to hear the members of this Legislature talking about the responsibilities of all members of the educational system to ensure that the system functions effectively and properly, on behalf of the education of our young people, rather than concentrating on rights constantly.

USE OF HERBICIDES AND PESTICIDES

Ms. Bryden: I have a question for the Minister of Energy. Is the minister aware that the township of Chandos has passed a bylaw prohibiting the use of herbicidal or defoliant applications in the township after October 1, following observation of some damage from spraying on hydro lines? Has the minister seen a letter that the eastern regional office of Hydro has written to the municipality, informing it that Hydro will do one of two things if the bylaw remains on the books—(1) charge the township additional costs for line clearing, estimated at $25 per customer; or (2) reduce line-clearing work to a level that can be achieved with mechanical means under the budgeted cost for herbicidal use, and make the municipality also liable for any hazard to the public or erosion of service that may result from this reduced line-clearing work?

Would the minister comment on this attempt by Hydro to penalize a municipality that is not convinced that the herbicides and

defoliants in use, particularly 2,4-D, are entirely safe for the people and the environment?

Hon. Mr. Welch: There are three questions there. The answer to the first two would be no, and as far as the third question is concerned I will be very pleased to discuss the matter with Hydro.

YOUTH JURY

Mr. Stong: I have a question of the Attorney General. Is he aware of the junior jury or youthful jury experiment presently being carried out in Brandon, Manitoba, wherein the judge, after registering a conviction against a youthful offender, then consults a jury of the young offender's youthful peers to assist him in arriving at a proper disposition on sentencing? Is the Attorney General aware of that, and if he is, is he monitoring that experiment to assess its strengths or weaknesses? If he is not aware of it, would he monitor it?

In any case, would the minister not agree that such an experiment would greatly benefit society in general, not only in terms of creating an awareness among our youth with respect to the detriment of obtaining a criminal record, but also in terms of general deterrents by direct public participation in the judicial system?

Hon. Mr. McMurtry: No, I am not aware of that experiment. I will be very happy to take a look at it and try to assess its strengths and weaknesses. We are taking a very close look at the whole juvenile justice system, and I will be having something further to say about that within the next week or two.

The public participation in the sentencing process, if this is what it involves, obviously is a very sensitive issue. I don't want to be perceived to be making any judgement of this particular project, which sounds like a very interesting one, but I would like to make a preliminary observation, that although juries play a very vital, a very crucial role, in the criminal justice system in this province, as the member fully appreciates, we have traditionally left the matter of sentencing to judges and not to juries.

In any event, we will be quite happy to take a look at that, and I am grateful to the honourable member for bringing it to my attention.

REPORT

STANDING ADMINISTRATION OF JUSTICE COMMITTEE

Mr. Philip from the standing administration of justice committee presented the committee's report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr22, An Act respecting the County of Simcoe;

Bill Pr23, An Act to revive Honing Corporation Limited;

Bill Pr24, An Act respecting Co-operators Life Insurance Association;

Bill Pr29, An Act respecting the Assumption Church Cemetery.

Your committee recommends that the fees less the actual cost of printing be remitted on Bill Pr29, An Act respecting the Assumption Church Cemetery.

Report adopted.

INTRODUCTION OF BILLS

EDUCATION AMENDMENT ACT

Hon. Miss. Stephenson moved first reading of Bill 170, An Act to amend the Education Act, 1974.

Motion agreed to.

[11:30]

ONTARIO MUNICIPAL IMPROVEMENT CORPORATION ADMENDMENT ACT

Hon. Mr. McCague, on behalf of Hon. F. S. Miller, moved first reading of Bill 171, An Act to Amend the Ontario Municipal Improvement Corporation Act.

Motion agreed to.

MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 172, An Act to Amend the Municipality of Metropolitan Toronto Act.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, as well as including the amendments to complement the other bills concerning front-end grants towards the cost of school board capital projects, this bill also includes several amendments requested by Metropolitan Toronto council.

These include the power for Metro to impose a sewer service charge on persons discharging waste water into the metropolitan sanitary sewer system from private systems and the ability to enter into a joint group liability insurance plan with the area municipalities. The bill will also allow Metro to

enter into long-term contracts for the purchase or rental of machinery.

MUNICIPAL AMENDMENT ACT

Hon. Mr. Wells moved first reading of Bill 173, An Act to amend the Municipal Act.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, again as well as including some of the provisions concerning the front-end capital grants for school construction, this bill also contains amendments to provide councils with broader authority to deposit sinking funds and reserve funds with credit unions; to appoint members of boards of management; to restrict the number of animals kept in each household; to provide benefit plans for members of council; and to reduce, cancel or refund taxes in respect of buildings rendered unusable by fire, demolition or other causes.

Another amendment would exempt from taxi licensing bylaws, taxis carrying school children and disabled and handicapped persons.

The area municipalities in Metropolitan Toronto have been concerned about difficulties in enforcing zoning bylaws affecting group homes. To overcome these concerns, an amendment is proposed to provide for a system of registration of group homes by municipalities and to prohibit the operation of a group home that is not properly registered. This change would also allow inspection where there is reason to believe a group home is operating but not registered.

Finally, Mr. Speaker, the bill proposes to provide some changes regarding the remuneration and expenses paid to the municipally appointed members of local boards representing more than one municipality.

COUNCIL OF THE TOWN OF MIDLAND ACT

Hon. Mr. Wells moved first reading of Bill 174, An Act respecting the composition of the Council of the Town of Midland.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, this bill repeals section 37 of the Statute Law Amendment Act, 1937, which provided for the composition of the Midland town council.

The town of Midland has requested the repeal of section 37 in order that the Municipal Act will apply to the composition of the council beginning with the council to be elected in the regular 1980 municipal elections. The council currently in office will not be affected by this amendment.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF REVENUE

(continued)

Mr. Charlton: I will start off with some brief comments on the opening statement of the Minister of Revenue (Mr. Maeck) on Monday. I think most of us in this House were somewhat impressed with the minister's statement, and my comments, though brief, will be somewhat complimentary. Then I will get into what I see are some of the problems.

I think we were impressed because of the positive nature of the minister's statement. The minister chose to focus on three major areas of his ministry: the overall financing and productivity gains, tax simplification and improved customer services, and progress in municipal property assessment. On the last item, I am afraid I am going to have some disagreements with the minister and some comments later on.

There is no question that tax simplification in a very complicated tax system is an important thing to be talking about. I would suggest that although the minister has made some positive moves and there have been some positive efforts, the very nature of many of our taxes is what is complicated, and it is the very nature of those taxes that perhaps has to be seriously looked at before really effective simplification can be accomplished.

There is no question that improved customer services, the improved ability on the part of the taxpaying public, whether it be the ordinary home owner, small business or even large corporations, to receive proper service is important. The ability of the ministry to deal with all of the different sectors affected by all of the different taxes is also important. We are all glad to see those kinds of improvements.

As the minister is aware, I wasn't totally prepared to make my opening statement on Monday. I spent most of the week working on my remarks for today. I spent the last several hours trying to cut my statement from something lasting just over two hours to something a little more reasonable. The minister will, therefore, appreciate that I see a number of major faults in the Ministry of Revenue. In order to cut down my remarks, I have decided to focus today on two major areas. I hope I will be able to raise those other things I decided to withhold today with the minister in some other fashion over the next few weeks or months.

The minister has said quite clearly a number of times in the House that his ministry is an administrative ministry; its major function is as an administrator. He has told us that when this government is going through the budget process his ministry is involved in those discussions but he as a minister and his ministry as a ministry are not the major source of policy decision in terms of taxation in this province.

I think we quite clearly understand that. We went through some lengthy discussions of that last year. It's quite clear that in the case of the budget itself, and general tax policy decisions, those decisions are being made in Treasury.

It's also quite clear, from a number of other discussions the minister and I have had, that decisions that ultimately end up in the Ministry of Revenue are made in other ministries, such as Education, Community and Social Services, or elsewhere. These decisions are in terms of Gains programs or in terms of the ways in which taxes affect social policy and so on.

As an administrative ministry, the minister's statement was particularly positive. We compliment the minister on the administrative things that have been done in his ministry to make that administrative body function better, and better deal with the public. However, the question arises—and it's a very serious question—of whether or not having a ministry which is totally administrative in nature, is in fact, necessary or acceptable.

We can recall the comments of the member for Brant-Oxford-Norfolk (Mr. Nixon) last Monday evening in his opening statement when he raised this question. I'll quote him briefly: "But I still am not convinced, even, that the ministry should have, or warrants, a separate and individual existence."

I don't agree with the member for Brant-Oxford-Norfolk. I think there is a useful role and a useful place for the Ministry of Revenue, but I also want to say to the minister as clearly as I possibly can that a totally administrative role is not acceptable. If the Ministry of Revenue continues in the same fashion, at some point I may, in fact, start agreeing with the member for Brant-Oxford-Norfolk. This is the first point of discussion I want to get into with the minister today.

I don't agree, but I also don't agree with the way the Ministry of Revenue is operating at present, and I would like to discuss that. The Ministry of Revenue is the ministry which administers, with one or two exceptions, all of the taxes in this province. There are other fees and licence charges and so on that are administered by some other ministries, but for the most part, the Ministry of Revenue is the revenue collector for this province.

The Ministry of Revenue has the staff that deals with those taxes on a day-to-day basis, on a week-to-week basis and on a monthly basis. The staff of the Ministry of Revenue, the minister's staff, see in as close a way as is possible for a government in a province this size, the impact of those taxes, and the impact of changes when we reduce taxes or when we increase taxes.

Also, his staff, because they watch all this on a day-to-day basis, because they see the changes and the impact of those changes, and because his staff are the real experts in terms of those taxes, are also the ones who should have the best feel for the relationship between taxes, different kinds of taxes, in terms of differences of impact, in terms of a lot of policies that are in fact administered by other ministries of this government.

[11:45]

I've already mentioned a few of them, but I'll go through them again. In terms of economic policy, in terms of economic goals and social gains in this province, in terms of dealing with problems of low-income people and/or pensioners, yours is the ministry where all of that should be most clearly seen. Yours is the ministry where the best sense should exist of what direction to go in terms of raising additional revenue, or in terms of reducing revenues and putting money back into the hands of taxpayers for economic goals. Yours is the ministry where the best feel for the best direction to go to accomplish those kinds of goals should exist. I'm sure that it does. If it doesn't, you've got some serious problems already, but I'm sure that it does. I'm sure that expertise is there, and I'm sure it could be brought to bear in a very effective way.

At present, I suggest it is not. I suggest that because the minister himself suggested it in his responses on a number of occasions, right from the time of the last estimates to the debate on the number of bills we've had. I refer you, for example, to the budget of this year, and the criticisms that came from this party to some of the tax increases that were included in that budget, and from the party to my right; criticisms which, in some instances, the minister even seemed to understand and agree with, to some degree at least.

It was quite clear in the minister's responses to those debates that he, in effect, felt helpless; that he, in effect, did not set the policy and that he didn't see any effective way of playing a positive policy role. I want to suggest to the minister that this is probably my major concern with the Ministry of Revenue.

Because you have the expertise, because your staff are the people who watch the whole operation of revenue collection on a day-to-day basis, because your staff, therefore, are in the best position to make recommendations on policy and direction, somehow that role has to be accomplished, otherwise the Ministry of Revenue is just an administrator and your staff could very well be moved into one of the other ministries—probably Treasury and Economics, as an administrative body of Treasury policy. I don't think that should happen. I tried to make that clear. I think there is a role far greater and far more important than just the administrative role.

The member for Brant-Oxford-Norfolk also mentioned in his opening remarks about the situation in 1970 when this government took over the administration of property assessment in Ontario. I quote again from the member for Brant-Oxford-Norfolk:

"I know the NDP critic has had direct and personal experience of this and might perhaps feel it was better to work for the government of Ontario than one of the local municipalities. But from my point of view and from my experience, I reject the view that it is better that assessment be centralized."

In that statement the member suggested I possibly agreed with the transfer or the centralization of the assessment function. I would just like to say quite clearly that, at the time, I did not. At the time, it created a number of very serious problems. It created the problem of the inevitable increases in staff as a result of centralization and it created a lot of very human and personal problems for employees.

When a transfer like that occurs, there are a number of very serious things that happen. Chains of responsibility change, benefits to employees change, salary scales change, pensions change; it creates a number of very serious problems that affect substantial numbers of people.

For those reasons alone, it seemed to me that the member for Brant-Oxford-Norfolk was suggesting that not only was that move at that time wrong, but perhaps the minister should be considering reversing that move now. I suggest, for a number of reasons, that such a reversal probably shouldn't happen, even though I disagreed with the transfer at the time, because all of the same problems in terms of personnel and administration of assessment will recur in changing back.

There are literally hundreds of people at present employed by the Ministry of Revenue who, because of the transfer in 1970, went to considerable personal expense, for example, to buy up pension time or to make up the difference because of different pension rates in the two pensions.

Seniority problems, holiday problems, all kinds of other problems exist, and I suppose that is a good point to lead into the second major area I see as a failure and a failing of the Ministry of Revenue, that of municipal property assessment.

We have been here before on this matter, and we will be here again, obviously. We have been over this a number of times, not only in estimates last year and the year before, but in debates on bills and resolutions in this House, on private members' resolutions, and, recently in the estimates of the Ministry of Intergovernmental Affairs.

I want to start out by tying this into the first major concern, which I have already expressed: a failure on the part of the ministry to be strong and aggressive and actively involved in policy recommendation. I think that failing applies in the assessment area as well as in all of the other tax areas.

I see the minister shaking his head "no," but I am going to suggest a number of things I want him to think seriously about and look at carefully. One of the things I see as a failing is the inability of the Ministry of Revenue, the assessment division, if you want me to be more specific, to provide answers, to provide directions.

Prior to the takeover in 1970, the decision was made to go to market value assessment and I can understand that at that point it wasn't quite clear what all of the implications were. I probably even agree that all of the implications still are not clear, but it is certainly true that most of the serious implications of market value assessment are clear, which is why we, today, are without effective property tax reform in this province.

First of all that raises the very serious question of market value assessment itself. Was that the right way to go? I know it is difficult for the minister, and I can't personally blame him because he hasn't been there all through the process. In fact, this matter hasn't even been within the jurisdiction of the Ministry of Revenue all through the process. I know it is difficult for ministries, ministers, government to admit errors and then seriously look at why the errors occurred, look seriously at where they should be going

from there in order to correct those errors. That is why I call it a failing.

I call it a failing also—and the minister can shake his head if he wishes after I make this statement, but it is a clear statement, a true statement; it is a statement I made, for example, two weeks ago at an institute of municipal assessment meeting at which I spoke. All the assessors there agreed with me, including the commissioners.

I don't want to sound too critical of the staff because there has to be leadership, and leadership has to come from those people over there on the government benches, more specifically you but all the government members. I suppose to some degree leadership even has to come from this side of the House, and I suppose that is why I am taking the approach I am taking today.

The staff of the assessment division of the Ministry of Revenue was handed a task upon takeover. Their task was defined as institution of market value. They have gone through a number of processes since 1970, including substantial changes to the method of arriving at market value. Your staff has very seriously taken on that whole job and attempted, in the best way it could find, to establish market value across the board and in each individual sector of the property tax system. The problem has been that the assessment division has been totally and completely geared to nothing else but market value.

Although I never sat down with the very top dogs in the assessment division and talked about this in very specific terms, I have talked to them about a number of specific individual assessment matters and I have worked in the system. The problem is that assessors in general, as a result of the kind of policy direction—or in some cases lack of direction—they have had politically, have become purists; they have become totally tied to the concept of market value so that they are not prepared to discuss anything else.

They have become totally and purely tied to the concept that their job is no other than achieving market value and they refuse, with a very few exceptions and there are some, Mr. Minister, but they generally refuse to look at the political implications that form the reality of tax reform. They don't want to hear about it. They say, "Look, we have done our job. Here is the market value. You guys decide what you are going to do with it," pointing at Treasury, pointing at this House, pointing at yourself.

That is dealing with the problem just a little bit narrowly and the reasons—and I won't go through them all, we have been over them a number of times and will probably go over them again when we debate in this House the postponement bill in the very near future—the reasons market value or assessment reform or whatever else we should be talking about have not come about are because we are still where we were in 1974, the first time we postponed, and in 1975 and in every year since.

One of the things that has to occur before we can ever get beyond the stage we are at is for this government, the Treasurer (Mr. F. S. Miller), the Minister of Intergovernmental Affairs (Mr. Wells), the Minister of Education (Miss Stephenson), yourself and the Premier (Mr. Davis) to sit down and seriously look at the political problems that the last 10 years have created. Look at why and discuss solutions. The solutions have to be political solutions.

I will refer to some comments the Minister of Intergovernmental Affairs made during his estimates in response to questions I asked him. This won't be an exact quote, but I think it will be clear that in effect this is what he said. He took the approach that government does not necessarily accept the fairness, the equitability, the reasonableness of the shifts implied in market value assessment. This was in response to questions about the equalization factors and his announcement about the measures being taken to reduce the impact of those new equalization factors.

[12:00]

I said at the time I was very glad to hear him say this government did not necessarily accept as what should happen the shifts implied by market value. On the other hand, there are no answers forthcoming whatsoever about where we go in real terms to deal with that, none whatsoever.

We have been through two things in the last year, Mr. Minister, and you have taken some flak, municipal politicians have taken some flak; all of us have, in some form or another I would suppose. We have been through two things in the last year; the section 86 program, which is going to be ongoing I would assume for a number of years to come, and the implementation—or the announcement, I shouldn't say implementation I guess, should I Mr. Minister—the announcement in July of the new equalization factors.

First, I'll talk for a few minutes about the new equalization factors. The minister is well aware, and he has stated quite clearly in his opening statement, that for all intents and purposes it was an all-party agreement that the equalization factor should be frozen. The freeze should be removed, there is no question about that.

The minister is also very clear, though, from discussions we have had, that there were very few people in this House, very few people in the Liberal Party, very few people in my own party, and very, very few people in the government party, who understood the impact of that. What's even worse is it has now become quite clear that even the ministers involved in making that decision last fall, your colleagues, Mr. Minister, didn't clearly understand the impact of what was done.

In July the minister announced the new equalization factors and the whole place fell apart. Everybody went into a panic about how to deal with the impact of those equalization factors. I cannot for the life of me understand why that had to occur.

In specific terms yes, the studies had to be done to look at the specific and minute impacts on individual properties and types of properties and so on, but all of the indications of what would happen if the equalization factors were freed up were there; they were there in the Blair commission report, they were there in the white paper, they were there in the joint municipal-provincial committee report last spring, or not even last spring the spring of 1978; all of the indications were there. It suggests a number of things to me, Mr. Minister, because at least to some degree you seemed clear last fall about what was happening. Most assuredly your staff was clear last fall about what freeing those equalization factors would mean. That suggests to me a considerable lack of initiative, leadership and forceful recommendation on the part of your ministry to make all of that clear to the other three with whom you were negotiating. The very fact all of the scurrying, all of the analysis, and then ultimately all of the frantic searching for alternatives had to go on after the announcement, was ridiculous, just ridiculous.

I understand, for example, once it had been realized over there and once it had been decided something had to be done to deal with the total impact of the new equalization factors, everybody got involved in the process. The Ministry of Intergovernmental Affairs got involved in the process, Treasury got involved in the process, Revenue got involved in the process, Education got involved in the process. In one place or another, or in all places, something in the neighbourhood of 70 or 72 or 73 different models of how to reduce the impact of those equalization factors were looked at.

None of them worked. It's ridiculous.

So we get the five per cent program for one year, and that's fine; but we raised the issue in July that something had to be done to deal with the impact and the shifts implied by those impacts. We don't quarrel with the fact that the ministry is doing something, what we are quarreling with is that what we are doing to deal with the problem is very ad hoc, very last minute. It shows a serious lack of real flow and coordination between the ministries involved over there; because as I see it, the Ministry of Revenue is the ministry that should be most on top of the questions that relate to equalization factors, to market value and to assessment in general, so I have no choice but to apportion the greatest amount of the blame to the Ministry of Revenue and to the minister.

The minister talked in his opening statement about section 86 assessments and praised that program. I have spoken on this in the House before and we have discussed it privately before. We have discussed it so many times that sometimes it makes your hair curl. Yes, there are some benefits to section 86 equalizations. Yes, it will deal with some of the problems out there. This is just an estimate, but even if it is not accurate I don't want you to send your staff soaring off and spending three months doing a study of whether my estimate is accurate or not, but I would seriously like you to consider this in terms of an example. Even if section 86 does have some benefits, it only deals with 20 or 25 per cent of what we set out in 1970 to do. The original intent in 1970 was not only to deal with the inequities between properties in a municipality or neighbourhood or whatever, but also to deal with the whole question of what was happening in our governmental structure. It was to deal with the development of regional government in dealing with the inequities between municipalities and a region or county, and with the inequities between municipalities right across this province. It was to deal with setting up a uniform assessment system right across this province. Section 86 deals with none of those problems at all. Twenty, or 25 per cent perhaps, of the problems are dealt with under section 86. In addition, section 86 creates some new problems all on its own, because the definitions of the sectors aren't as clear as they should be.

Mr. Minister, this is not a personal criticism of you. I suppose it is more a criticism of your portfolio and more a criticism of your ministry and the governmental interrelationships over there that revolve around and deal with revenue. But for you to be totally proud about starting into a section

86 equalization program in 1979 just isn't good enough in terms of the property tax questions in this province. We could have had a section 86 equalization in 1973 or 1974, five or six years ago.

That brings me up to another thing, the freeze itself. The freeze is a major part of the problem. Your staff may not fully understand this, because the freeze is a problem in terms of the political side of the question of property tax reform. The freeze itself has created many new political problems in the last 10 years, not only the freeze of assessments but the freeze of equalization factors and the freeze of the whole concept of property taxation. The freeze itself is in large part responsible for the kind of stupidity we are going through now with equalization factors, with section 86s restricted to sectoral equalization. The longer the freeze is left in place the greater the problems will become, and the less your ability as a minister and as part of a government will be to deal with those problems. The longer that freeze is left in place the greater the implied shifts will be.

We have been at this game for 10 years now, and as I said I see it as the greatest single failing in your ministry. I am not attributing the failing totally to you, because you haven't been there throughout. It is probably more a collective failing of government than even necessarily a failing of the Ministry of Revenue. Except that I don't believe the Ministry of Revenue, where the expertise should be for good recommendations to come, has done that. If it has it certainly hasn't done it effectively.

Leadership is required in this whole thing and I can't see it coming from anywhere but your ministry. I don't think the expertise exists anywhere else. There may be people in Treasury or Intergovernmental Affairs who understand the theories of assessment, but just to understand theories isn't good enough. When we spout theories the government yells pie-in-the-sky, so it isn't reasonable to expect people over there who understand theories to necessarily be in the best position to know how to deal with the problems implied in those theories.

The only people who are really in a good position to do that are the people who work with it on a day-to-day basis, who have a real feel for not only what is happening but also for what will happen if you do this or if you do that. That is where the expertise exists, that is where the recommendations have to come from.

I am going to get into something we haven't really discussed before on the whole question of assessments. It has taken me a long time, so I can understand that perhaps it has taken you a long time as a minister and it has even taken some of your staff a long time, but I have come to the conclusion we have gone about this whole process of property tax reform completely backwards.

We are trying to establish a uniform, equitable assessment system which will accomplish a number of things: the goals of equity between properties, equity between municipalities and so on and so forth, right up the line. But we're trying to do this without first really defining the political and the social goals. When it became obvious the assessment system and the approach to market value was causing shifts we couldn't deal with that because we had already developed the system. So we have gone about it backwards.

[12:15]

The political decisions weren't made in 1968-69 and they weren't made in 1974 or 1976 or 1978. As far as I can tell, the political decisions still have not been made by this government. These decisions revolve around deciding first of all if property taxes are where we want to stay. If we decide that—and I assume your government would, so that's the drift I'm going to take. Our party might decide something different if we were the government but we're not. The Liberal Party might decide something different but it's not the government either. I'm going to make the assumption that if the minister goes through that discussion in cabinet or with his colleagues directly involved with the results of the assessment system he will conclude he wants to stay with property taxes.

The second question that has to be dealt with is the question then of who should pay what. Which sector should carry what burden of the total tax burden?

We have a number of options here. First, we could stick strictly to the principle that was largely developed by Mr. McKeough and whatever staff he had around him at the time, of total uniformity across the province, a very hard-line system where the province would very clearly set out who's going to pay what share of the total property tax burden.

You also have the option of going to a much more flexible system where the government would decide, in general, the tax burden, with some flexibility within some legislative limits so municipalities could deal with the differences in their tax needs more to suit their own situation.

I think I would probably opt for the more flexible system but we haven't even had serious—up-front at least—discussion about

those matters. As I see it, the conclusion I've come to is that those decisions have to be made first.

We can piddle around with bandages and medicine, market value or another assessment system, or we can piddle around with how to deal with the impact of the shifts after market value assessment is done. We can play around with those things forever, but until the time comes when the political decisions have been made about who's going to pay what—what is politically acceptable out there in Ontario, what is fair in terms of tax burden sector by sector, class by class—until those decisions are made, we're not going to make any real progress.

We'll make some small progress with section 86 programs and we'll make some small progress with something else that someone else will dream up, but we won't really get down to the nitty-gritty of the overall problem of property tax reform. The political decisions have to be made first.

I suppose that raises the whole question of market value, because the market-value system itself not only implies that in the initial instance of implementation shifts will occur, but it will be less sometimes and more at other times—as the market levels off and slumps, but it will also create more activity in periods when the market is more active and prices are going up—the market-value system in itself implies tax shifts on an ongoing basis.

This is something we have to look at very seriously. Whether we as a Legislature, whether you as a government, whether you as a minister want to be confronted with not only having to sit down and make the initial political decisions but also sitting down year after year and deciding whether the shifts that are going to occur as a result of market changes should be allowed to occur or not. All of those things have to be decided before we can ever resolve the question of whether to implement market value or move on to a totally new system or modified system of market value.

As far as I can tell—and perhaps the minister can tell me differently during the course of the estimates—those questions have not been answered in any concise or specific way. If they have, why can't we seriously get on with the job of property tax reform in this province, instead of fiddling around with measures that don't really deal with the problem in an overall way. They deal with some minor parts of it, but they don't deal with the problem in an overall way at all.

Obviously, it is a much broader question than just property tax itself; it gets into the whole broad question of municipal finance, grants, transfers and all the rest of those things. There obviously has to be a lot of co-ordination over there, but in terms of the assessment function itself, the leadership has to come from the Ministry of Revenue.

I'll wrap up my remarks at that point, Mr. Minister. Those are the two major failings I see in the Ministry of Revenue. This is not even to suggest that when people on your staff get involved with Treasury people and Intergovernmental Affairs people in discussing certain matters that they don't take certain positions that do not necessarily agree with Treasury people and/or the Treasurer; they probably do. But it is certainly not done in a very forceful fashion up front. Your staff has done the work, has put together the recommendations about the best direction to go; and it doesn't apply only to assessment policy, it applies to tax policy on all of the other taxes.

If your staff has done the work—I think they are the real experts—if your staff has put together the recommendation, then you as the minister should not only be making those recommendations to the Treasurer publicly in a very strong and political way but be making those recommendations so you can on occasion gain support from other people.

If you have the expertise in your ministry, and I think you do, then your ministry has to take a very aggressive and positive role in terms of policy on taxation, on property tax reform, on social policy if you like, in order that those who have the expertise are having their way up front where others will know and understand, and perhaps even support.

In wrapping up, I come back to where I started, back to the comments made by the member for Brant-Oxford-Norfolk (Mr. Nixon) on Monday night: Whether or not the Ministry of Revenue should really exist; whether or not just being an administrative body is good enough; or whether—and as I see it—we should have much more aggressive use of the expertise that exists in your ministry so that we can finally get something accomplished in a number of rather important areas.

As far as most of the people out there in Ontario are concerned—I was going to go through a number of press releases, letters to the editor and so on in terms of the kind of cynicism that has developed out there about taxation in general and about property taxes specifically. If we had some serious, positive, well-researched policy recommendations coming out of your ministry—up front, publicly—for the benefit of the people of

this province then perhaps we could swing some of that cynicism around and perhaps your ministry would have the kind of role I see as useful, constructive and ultimately beneficial to this province.

Many of the comments made by the member for Brant-Oxford-Norfolk are valid in present terms.

Hon. Mr. Maeck: Mr. Chairman, before we get into the votes item by item I'd like to make a few remarks in response to the two opposition critics. I would like to deal with the remarks made by the member for Hamilton Mountain first, simply because the member for Brant-Oxford-Norfolk is not in the Legislature. He presented the opening remarks on behalf of the official opposition.

I note the member's annual concerns about the Ministry of Revenue, the same annual concerns I hear from the member for Brant-Oxford-Norfolk, about the necessity for the Ministry of Revenue, about the amount of power the ministry should have and the amount of policy-making power it should have.

Mr. Charlton: More influence than power, Lorne.

Hon. Mr. Maeck: I have explained this many times. I keep repeating it, it seems, in every debate we have. Every time the estimates are on, it's the same thing.

I have never said we do not make any policy in the Ministry of Revenue. What I have said in tax matters—and it's the way the government is set up in this province and in most jurisdictions, as a matter of fact—is the fiscal policies of the province, or the jurisdiction, are set by the Treasurer, not by the Ministry of Revenue.

There is no question that from time to time the Minister of Revenue and the Treasurer discuss matters of taxation policy. There is no question that my staff, on almost a day-to-day basis, is in constant touch with Treasury staff. It's not a matter of us, as a ministry, not having input. The fact is the final decisions must be made by one person in the government, and that is the Treasurer. I think that should be understandable to all members of the Legislature.

It's not a matter of my ministry and me absolving ourselves of our responsibility. I think we are providing the professional advice of my staff—the member is quite right—who are probably the only ones who can really develop the professional advice necessary to make certain decisions. That information is being passed on to the Treasurer.

Mr. Charlton: That's not good enough.

Hon. Mr. Maeck: I have said this before in this Legislature; this is not the first time I've said it, but I think it bears repeating: The Treasurer must in the final analysis bear the responsibility for the fiscal policy of this province. Two people cannot do it. The way the government is set up, the way any jurisdiction is set up, whether it be federal or provincial, the Treasurer always produces the fiscal policy for that province or jurisdiction.

I can't say it much more clearly. We do talk to the Treasury. We do give advice. We do give our expertise to Treasury when they are making decisions. These communications go on and on, not just at budget time but all year. Any problem that comes to me as a matter of policy, if it is a policy problem, I discuss with the Treasurer. We sit down together and decide whether or not we should change the policies. There is some direction.

Obviously, the Treasurer sets the responsibility for that policy. That is his function. That is not to say I disagree with it or that I have had no input into it.

I know the member has mentioned that he disagrees with the fact the province took over the assessment function from the municipalities in 1970. I can't disagree when he talks about the dislocation of staff and pensions and so on. I think the member is perhaps not quite as old as I am; I don't know whether he remembers back quite so far as I do.

Mr. Charlton: I'm not quite as old, Lorne, but I'm aging quickly.

Hon. Mr. Maeck: I can remember the problems that were out there when the municipalities were doing their own assessments. I can remember the favouritism shown to some people by municipal assessors who were being paid by certain people. I don't know whether or not you recall all of that, but those are the kinds of things that were going on. That was the reason the province made the decision to take over the assessment for the province.

[12:30]

I agree that it would be a little late at this point in time to consider turning the assessment back over to the municipalities, as the member for Brant-Oxford-Norfolk has suggested. I don't think that's a matter of consideration at all. But I'd like to remind the member that when we talked about political decisions and so on, this government did make a political decision in 1969 to take over the assessment in the province. At that time they made the political decision

that the right way to go would be to market-value assessment, in order to get some equity into the system on a local level as far as grants, et cetera that are being distributed by the province to municipalities are concerned. All of those decisions were taken long before I was a member of this Legislature, as a matter of fact. The decisions also were taken to freeze the factors and the assessment prior to my coming to this Legislature.

However, the member is suggesting that political decisions have to be made before we get into a new program. Obviously, I couldn't agree more with him. That's obviously why these freezes have been there all of this time. We're still trying to make some political decisions over here, in the member's party and in the other party.

I can tell you now that there is no caucus in this Legislature that totally agrees with what should be done as far as assessment in the province of Ontario is concerned. I have just as much difficulty trying to sell a program to my colleagues on this side as you have in selling it to your colleagues in your party; or the critic from the Liberal Party would have in trying to sell it to his party. There are almost as many different approaches to this thing as there are members in the House. We have worked very hard to try to take some of the inequities out of the existing system.

I admit that the section 86 program is not the be-all and end-all to the problems that are out there. It solves some of the problems, as you have indicated; it doesn't solve them all. But at least it does give some equity within the classes, with comparable properties. It does correct the situation where you have people with identical houses in the same municipality and one is paying twice as many dollars in taxes as the other. It does solve that situation.

It doesn't solve the situation of the inequities between the classes, or what percentage of taxation should be derived from commercial as opposed to residential. It doesn't solve that problem because it doesn't permit any shifts between the classes. That problem is out there. Someone, some day has to make a decision as to what percentage it will be.

Mr. Charlton: The question is who is that someone?

Hon. Mr. Maeck: The question is not who is the someone. The fact is it has to be a deliberation by all of the people in this Legislature and not only by the Minister of Revenue.

Mr. Charlton: Somebody had to provide the leadership.

Hon. Mr. Maeck: He is not a dictator, as the minister. He must have some power behind him. He must have some co-operation from other people in this Legislature.

Mr. Worton: From the majority.

Hon. Mr. Maeck: Quite right.

I am the first to admit there are many problems out there as far as assessment is concerned. We have moved in two directions. We have moved with the section 86 program. We have moved by taking the freeze off equalization factors.

You had a great deal of criticism about the equalization factors and the way they were handled. I think you understand—if you are being perfectly honest, truthful and open-minded—that the Minister of Revenue's responsibility in this regard is to produce those factors based on a proper assessment. That is my responsibility.

I don't think you will disagree that the factors that were produced were good factors. There is nothing wrong with the factors, based on the information, the criteria used to develop the factors. You also, I'm sure, will agree that we used the same criteria to develop these factors as the ones we were using before, with the exception that we include a much larger sampling of properties, so we could be sure that we were developing property factors based on the criteria required under the act. We presented those factors to the Ministry of Intergovernmental Affairs, the Ministry of Education and the Treasury, whose responsibility it is to take those factors and decide how they are going to implement the proportionments, how they are going to implement the grants policy, in education and to the municipalities. That is their responsibility.

We developed the factors, as I am sure members are aware. When the freeze was lifted, when we amended the act and took the freeze off the equalization factors, I was required, as Minister of Revenue, to produce the factors and to have them gazetted not later than July 15.

By the time the work was done to develop those factors, it was approximately June 1. The other ministries involved in this exercise had only six weeks to use those factors to develop the accompanying program that went with them. That was really not long enough, but I had no choice.

It would have been much simpler, much easier on all members of this House who have received complaints about the factors—not really about the factors but about the

results that the factors have created—if I could have said, "I will not release the factors until the rest of the program is developed." All of it could have come out at the same time. They could have looked at their factors and compared them with the policy that was later—I think it was on October 12—announced by the Minister of Intergovernmental Affairs and the Minister of Education. If it could all have been released at once, I don't think the concerns of the municipalities would have been near so great.

However, as I indicated, the legislation required me to Gazette the factors by July 15 and I guess we didn't have the foresight when we were amending the act. We could probably have amended the date too, but we didn't, so I was stuck with the legislation as it was. By the same token, the other part of the program has now been developed.

The point I am trying to make here is that there are certain areas of responsibility. In listening to your comments, I gather you want me to extend my responsibilities far beyond their present boundaries and to encroach on other ministers' responsibilities. We try to work together, but I cannot dictate to the Minister of Intergovernmental Affairs, the Minister of Education, the Treasurer, or anyone else what they should be doing in their ministries as regards the responsibilities that have been assigned to them.

I think my ministry has been fulfilling its responsibility. I think we have been involved in policy decisions and so on, and I think there is a misconception on the part of the member for Hamilton Mountain and the member for Brant-Oxford-Norfolk.

Perhaps we have not been as loud as some ministries. Maybe I have been the type who doesn't provide enough information. Perhaps I should be promoting this ministry more than I do, letting people know exactly what it is doing. But I must say that as far as I am concerned, I feel the Ministry of Revenue is a very necessary ministry and if you read my opening remarks you can see what has been going on in the Ministry of Revenue over the past year and a half since our last estimates debate. Many things have taken place in the Ministry of Revenue. I don't think that attaching the Ministry of Revenue to Treasury or to some other minister would be an improvement. He would not have the time to do the kinds of things we have been doing within the Ministry of Revenue.

We have, I think, taken the initiative in this past year as far as assessment is concerned. I think you have to agree we have moved a long way in assessment, compared to what happened in the eight or nine years prior. The section 86 program is an example. As I indicated, it is not the be-all and end-all, but at least it is providing the municipalities that are having problems with solutions to some of their problems.

I won't go into the statements of the member for Brant-Oxford-Norfolk in detail because he isn't here. He did ask if the ministry was either overstaffed or unemployed for the years that led up to the record the minister has given us. This was in response to my opening statement when I mentioned our staff had been reduced since 1974.

I only want to point out to him, had we become a little more mechanized with computers and electronic data processing machinery—that kind of thing—instead of having a reduction in staff we would certainly have had quite an increase, because our work load had increased by some 24 per cent. We have been able to reduce the staff only because of the introduction of electronic data-processing equipment and so on. I think our investment program is really paying off in that we have been able to reduce our staff over that period of time, but it was certainly not because we were overstaffed initially.

He mentioned late filing of retail sales tax and the penalty in compensation. He said: "I don't know of any great complaint about the tax collecting procedure, but just as a footnote it has been brought to my attention by some of those tax collectors who remit the sales tax to the minister that if through certain circumstances they are late in the remittance of the sales tax, they not only lose the four per cent fee they are given through the generosity of the Treasury for their work, both in collection and the forms associated, but they pay a penalty of an additional five per cent. This seems to me to be a rather Draconian double penalty when I believe it would not be necessary."

For the benefit of the member, we automatically allow each vendor 23 days to submit his tax. The tax is due on the 23rd of each month for the previous month. I think that is a reasonable time to allow people to get their forms filled in and have the money submitted to the Ministry of Revenue.

The first time the return is filed late, the vendor is not penalized but is sent a letter suggesting he is a little tardy and he should submit it by the 23rd of the month. Beyond that point, when we find a vendor is late time after time and is never on time, we do push him a little harder. Even at that point we don't apply penalties indiscriminately. We

do have the authority to waive the penalty at our discretion. In most cases that is done unless it is a case where we have had so much trouble we just have to assert some authority.

The member asked a couple of other questions. He was referring to some areas in his riding, but he didn't give me the names, so I was guessing at what he was referring to. I will wait until we get into the clause-by-clause or vote-by-vote debate when he will probably bring them up again.

[12:45]

The member was concerned about gasoline tax. He said, "I believe it was gasoline tax that got so seriously behind in payments from some of the major collection agencies." I don't believe we have really collected all that was owing in that yet, and there have been a number of committee hearings associated with it.

He was talking about the St. Catharines area. I had my staff check this out. Although the tax status of any taxpayer is confidential, I can assure the honourable member that the province has realized 80 per cent of tax indebtedness through mortgages and warrants of execution. There is still a mortgage outstanding on other property as security against the balance of that debt. Since 1974, there has been no further liability as far as that company is concerned.

As a matter of information, I could probably say the collection record of the gasoline tax branch has been pretty good. For the past eight years the branch collected $5.1 billion. Uncollectable accounts written off for those eight years total $1.1 million, which represents only 0.2 per cent of the total collected. That isn't really a bad record so far as gasoline tax collection is concerned.

He did talk about the Bank Act. He was concerned about the fact that banks don't pay enough taxes. Quite a few people in this Legislature would probably agree with that. By way of background, the income of chartered banks is taxed by the province at the rate of 14 per cent. This is in addition to the 36 per cent rate at the federal level. This gives a combined rate of 50 per cent, which is a pretty high tax.

Ontario's rate of 14 per cent is one per cent higher than that applied to the income of any other corporations that is derived from, say, manufacturing and processing and so on. The income tax rate was increased last year from 13 to 14 per cent in the last budget.

In addition to the income tax rate increase, the capital rate on banks was also increased in the last budget. In the past, the capital tax rate for banks was the same as the rate for loan and trust companies and twice the rate for ordinary corporations. As a result of the recent budget change, the bank rate was increased to four fifths of one per cent. It is now one and a third and two and two thirds higher than the rates in the other sectors. So banks are paying a higher rate of tax than anyone else.

One final item that the member for Brant-Oxford-Norfolk brought up was the matter of the small business development corporations. He said he hadn't heard very much about them and wondered what was happening to them. I did send him a package of information on the SPDC program last night in the House, I guess.

Just to bring the members up to date on the SPDC program, which I think is becoming a rather successful program, the advertising we have done has been in daily, weekly and ethnic papers. We have published and widely distributed pamphlets.

Mr. Haggerty: How many applications have you received?

Hon. Mr. Maeck: I am sure each member got one of the information booklets. Radio and television features have been produced and feature articles carried in a number of business publications and newspapers, including an article that was sent to all the members in case they wanted to include it in their constituency newsletters.

Mr. Haggerty: What is the dollar value?

Hon. Mr. Maeck: I'll get to that. Our ministry staff have travelled throughout the province on media tours and have been involved in speaking engagements. I should say that in these media tours they are usually involved in public programs that are of no cost to the province. They are public information programs and so on. We wanted to be sure that people were aware of the program. Up to the end of October, which is the last day I have, there have been 14 SPDCs registered under the act, which isn't a bad record. There are another 12 applications for registrations that are currently under process.

In the earlier stage of the program, most of the SPDC head offices were located in Toronto but four of the 12 applications now in process are outside Metro Toronto; so we are getting some action outside the Toronto area. It's really too soon to say whether the trend to a broader geographic distribution is developing, but I think it will. My own ministry and Ministry of Industry and Tourism representatives, particularly in northern Ontario, are presenting this program to as many

people as they can with the hope that we will get some SBDCs for northern Ontario. However, that doesn't stop people, small businesses in northern Ontario from dealing with an SBDC located in Toronto for funding purposes.

To date, the typical SBDC is a private corporation with a small number of individual investors. There is only one SBDC at this time that has been established to accommodate a corporate investor. I am a little disappointed in that. I was hopeful that more SBDCs would become public so that you or I—well not me, as the minister, I can't; it would be a conflict of interest—so that other members could invest in an SBDC if they had $5,000 or $1,000 or whatever.

Mr. Haggerty: You have got a limit though of—

Hon. Mr. Maeck: They are limited to $5 million. That's the total amount, but I am a little disappointed that there aren't more of the type where the public can buy shares in the SBDCs. There's only one at this point.

Mr. Haggerty: You will have to change that minimum. You might get the investors.

Hon. Mr. Maeck: Two hundred and fifty thousand minimum, that's true. That disappoints me a little bit. I could give you some figures on the dollar amounts and then I will sit down. The issued capital of registered SBDCs, and this was at the end of October, was $1.5 million. This is projected to rise by another quarter of a million by December 30. One hundred and fourteen grants, totalling $227,000, have been paid or approved, and four investments made for a total of new equity capital of $432,000 in the manufacturing business.

At that, Mr. Chairman, I will sit down. I think I have responded to most of the concerns raised by the two speakers.

Mr. Haggerty: Mr. Chairman, I want to direct a question and a few comments on policy as it relates to the tax on horse racing. I don't know if the minister is familiar with the problem facing the racing association in Ontario and the phasing out and closing down of some of the racetracks throughout Ontario.

I think he knows the racetrack at St. Catharines was phased out a few years ago. There are now some rumours that the Ontario Jockey Club is considering phasing out the Fort Erie racetrack, and this is perhaps close to home, but it does create a number of jobs in the town of Fort Erie and there is a spin-off to the service industries such as the motels, hotels and restaurants in the area.

If it were to be phased out it would be a considerable loss to the municipality, the same as the loss to the region and the city of St. Catharines of the St. Catharines Raceway there. One of the problems is that there isn't sufficient funding given to the horsemen's association, which was asking for higher winnings, I guess it would be, or stakes or takes at the track. I notice in your projections for this year's estimates you are looking at the racetrack tax of about $49 million, the budget estimate, and that's a substantial increase from $37 million or $38 million that you collected back in 1977 or 1976.

Has the minister given any consideration to special assistance being given to the horse owners in Ontario to get some of it back to increase their winnings?

I know a few years ago some assistance was given to the horse breeders of Ontario. I remember a few years back, in 1969 or 1970, I think the figure of $1.8 million was given, but the largest percentage of that went to one key horse breeder in Ontario, and that was the E. P. Taylor stables, and a few other ones.

I suggest you are going to be running into problems if some leadership is not provided by your ministry or by the government to assist the horse breeders and the horse owners in Ontario to get a higher stake for winning. They can't get it from the Ontario Jockey Club. They are running into difficulty, and I wonder, could you take a serious look at this, so we don't lose the racetrack operations in the town of Fort Erie or any other community where there is a racetrack.

There have been some discussions, too, that they are considering offtrack betting. I do support that, but I say again, we must move in a very cautious manner in this particular area because if you go to offtrack betting without guidelines here in Ontario, you could have all your horse racing done in the southern part of the States and the complete phasing out of horse racing and horse breeding in Ontario.

I suggest if someone is applying for assistance or applying pressure to the government for offtrack betting, you should be very careful if you move in this direction. I know there are some difficulties in New York State, one of the states that has offtrack betting, but apparently it has been of some assistance to the New York State Legislature in bringing in additional revenues. I suggest to you I think we have to move in a very cautious manner here, so all the racing isn't done in the States, with the result being a complete

phaseout of all the racetracks, and the Ontario Jockey Club, in Ontario.

Surely it would be just as well to have parimutuels—I guess it would be through offtrack betting, but that isn't going to solve the problem of horse breeders and horse owners in Ontario and the enjoyment, I guess it is, of those who want to speculate at the racetrack.

I bring to your attention that there is a problem there, and perhaps some consideration and maybe some of this tax money can be given back to the horse owners or horse breeders in Ontario in some way to assist them. It is an expensive hobby, I guess, for the horse breeders and the horse owners and the persons attending the track.

Hon. Mr. Maeck: First of all, I think the member understands the tax is collected only on winning tickets. That is how the tax is generated.

I think the area of responsibility as far as the racetracks themselves are concerned, the type of question you are asking, or the assistance you are seeking for small racetracks, should perhaps better be referred to the Ministry of Consumer and Commercial Relations, under which the racetracks come.

While I suppose I am not opposed personally to seeking some assistance for the small tracks, I don't think it is a matter for my ministry to become involved in, in any way, shape or form. I think that question should be redirected. I just take the money in.

On motion by Hon. Mr. Maeck, the committee of supply reported progress.

The House adjourned at 1 p.m.

CONTENTS

Friday, November 9, 1979

Remembrance Day, statements by Mr. Davis, Mr. S. Smith, Mr. Renwick 4363

Talbot trail, statement by Mr. Snow 4364

School board funding, statement by Miss Stephenson 4364

High-speed car chases, statement by Mr. McMurtry 4365

Gas and oil prices, questions of Mr. Davis: Mr. S. Smith, Mr. Kerrio 4367

Teacher-board disputes, questions of Miss Stephenson: Mr. S. Smith, Mr. Cooke, Mr. Conway 4370

Gas and oil prices, questions of Mr. Davis: Mr. Renwick 4371

Energy conservation: public transit subsidies, questions of Mr. Welch: Mr. Renwick, Mr. Sargent 4373

Chicken imports, questions of Mr. Henderson: Mr. Riddell, Mr. MacDonald 4373

Choice of physician, questions of Mr. Elgie: Mr. Isaacs 4375

Water rescue service, questions of Mr. Snow: Mr. O'Neil 4375

Condominium list, questions of Mr. Drea: Mr. Philip 4376

ESL programs, question of Miss Stephenson: Mr. Grande 4376

Psychological testing, question of Miss Stephenson: Mr. Sweeney 4376

Point of order re answers to questions: Mr. G. I. Miller 4377

Review of Bill 100, questions of Miss Stephenson: Mr. G. I. Miller, Mr. Ruston 4377

Use of herbicides and pesticides, questions of Mr. Welch: Ms. Bryden 4377

Youth jury, question of Mr. McMurtry: Mr. Stong 4378

Report, standing administration of justice committee, Mr. Philip 4378

Education Amendment Act, Miss Stephenson, first reading 4378

Ontario Municipal Improvement Corporation Amendment Act, Mr. F. S. Miller, first reading 4378

Municipality of Metropolitan Toronto Amendment Act, Mr. Wells, first reading 4378

Municipal Amendment Act, Mr. Wells, first reading 4379

Council of the Town of Midland Act, Mr. Wells, first reading 4379

Estimates, Ministry of Revenue, continued, Mr. Maeck 4379

Adjournment 4391

SPEAKERS IN THIS ISSUE

Breaugh, M. (Oshawa NDP)
Bryden, M. (Beaches-Woodbine NDP)
Charlton, B. (Hamilton Mountain NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davis, Hon. W. G.; Premier (Brampton PC)
di Santo, O. (Downsview NDP)
Drea, Hon. F.; Minister of Consumer and Commercial Relations (Scarborough Centre PC)
Eakins, J. (Victoria-Haliburton L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Foulds, J. F. (Port Arthur NDP)
Gigantes, E. (Carleton East NDP)
Haggerty, R. (Erie L)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Hennessy, M. (Fort William PC)
Isaacs, C. (Wentworth NDP)
Kerrio, V. (Niagara Falls L)
MacDonald, D. C. (York South NDP)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
McMurtry, Hon. R.; Attorney General, Solicitor General (Eglinton PC)
Miller, G. I. (Haldimand-Norfolk L)
O'Neil, H. (Quinte L)
Philip, E. (Etobicoke NDP)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Ruston, R. F. (Essex North L)
Sargent, E. (Grey-Bruce L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Snow, Hon. J. W.; Minister of Transportation and Communications (Oakville PC)
Stephenson, Hon. B.; Minister of Education, Minister of Colleges and Universities (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Worton, H. (Wellington South L)



No. 106

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, November 13, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

TUESDAY, NOVEMBER 13, 1979

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

ENERGY CONFERENCE

Hon. Mr. Davis: Mr. Speaker, I want to report on the meetings yesterday, and then I have another brief statement related to the situation in Mississauga.

With respect to the discussions in Ottawa, I am sure most members spent their day off glued to the television sets. I can't really add too much to what was discussed in public, in that the discussions at the Prime Minister's residence during and after lunch were really quite consistent with what was said during the public part of the meeting.

From the Ontario standpoint, the question of price, as is obvious from the press reports, is not settled; there is no agreement, with points of view varying from one end of the spectrum to the other. In terms of some of the areas where I think there was some consensus—the general objective of energy self-sufficiency, the question of some form of consumer protection, the potential of the proposed energy bank, and the whole question of conservation—on these matters I think it's fair to state that in terms of principle there was fairly genuine agreement.

The details of all these proposals, as presented by the government of Canada, are in the process of further discussion and negotiation. The question of price, which is very fundamental to this whole debate, is being pursued by the Prime Minister of Canada, together with, I guess separately really, the Premiers of the three producing provinces.

I have no idea when any sort of decision will be made, but I sensed the government of Canada was anxious to come to a conclusion on the question of price as soon as possible. I can't speculate as to when that may be. The officials from the various ministries, in terms of the conservation aspect, the potential of the energy bank, and the stated objectives of energy self-sufficiency, will work on these matters I would think for the next several weeks.

MISSISSAUGA TRAIN FIRE

Hon. Mr. Davis: Mr. Speaker, with respect to the situation in Mississauga, I had hoped the Attorney General (Mr. McMurtry) would be here to make a report but he is at present on the site. I was speaking to him just before entering the House, which is why I'm just a little out of breath.

I would like to tell the House as much as I can in general terms and at the same time suggest to the members opposite that if they have questions on some aspects they might be directed to the Minister of the Environment (Mr. Parrott) and some to the Minister of Health (Mr. Timbrell). The Provincial Secretary for Resources Development (Mr. Brunelle) has a statement to make with respect to the transportation aspect.

As of just a few moments ago, the decision was made to alter the areas where people have been evacuated, to come now roughly to the lines of Cawthra Road on the east, Burnhamthorpe Road on the north, and Erin Mills Parkway on the west, with Lake Ontario being the southern boundary. There is some expectation, but it has not been determined yet, that perhaps later on this afternoon it will be the area from the QEW on the south, probably with the same perimeters on the east and west, and certainly Burnhamthorpe Road on the north, but this may be altered later on today.

I think the likelihood is very high that the people on the scene will be suggesting the area contained within those boundaries be maintained over this coming evening, with the expectation this can be altered tomorrow. The concerns that still exist relate to the amount of chlorine still in the one tanker. They are in the process now of sealing the tank itself. I think the feeling by the experts there—and I certainly support any decision they make—which some might say is just a little more cautious than it needs to be although I think in situations of this nature that's the intelligent thing to do, is that they are in the process of sealing this and they don't want to alter the boundaries, other than the ones I've mentioned, until that is completed.

Apparently, on investigation this morning they discovered that a percentage—and no

one can accurately define what the percentage is—of the contents of the chlorine tanker has gone. The best estimate is it went at the same time as the explosion itself. The advice of the scientists and others who were there is this would create no potential health hazards; it would be dissipated. They are left with a tanker with perhaps a third or 40 per cent, no one is exactly sure of the contents, and they won't be able to judge this until the seal is on.

I would like to take this opportunity, because I was there last evening, to make one or two general observations about the people of Mississauga, their fire department, their police forces, the Red Cross, their municipal officials, together with the OPP. I think the people, all of them, were singularly successful in dealing with a potentially hazardous situation in a way that brings credit to all of those who were concerned.

I met some of the news media from south of the border, who are here in some numbers and we had some discussion. People were literally amazed that we could have an evacuation of a city of this size with the efficiency and the lack of confusion or difficulty that was experienced in that community on Sunday.

It speaks very well, as well, of the community generally. While it's too early to make any guesses, it is unlike situations, without naming jurisdictions, where incidents of this kind have happened on occasion in some other parts of the world—areas of flooding or evacuations from potential hurricane areas—in that so far perhaps only one or two incidents of burglary or breaking and entering have occurred. While it's still too early to tell, because people haven't returned to their homes, I really think this is an extremely encouraging aspect of this particular incident.

This is the most up-to-date information I can share with the members of the Legislature. I would like to repeat that the decision has been made in the last hour that the evacuation area is to be shrunk, for the time being, to Cawthra Road, the Lakeshore, Erin Mills on the west and Burnhamthorpe on the north.

The Attorney General may be here later on. He has spent a great deal of his time at the site. He is at present there co-ordinating the Ontario government's involvement in this particular situation. The Minister of the Environment, the Minister of Health and their officials have also been very deeply involved. It is a tremendous example of how things can work efficiently and with sensitivity when one gets these various groups working together with a stated objective. I say, once again, I wish to extend my appreciation to all of those citizens who have made this particular situation tolerable in terms of the general public.

Mr. S. Smith: I wonder if I might just add a few words of commendation to those of the Premier with regard to the Mississauga situation. I have been very impressed, as I'm sure all members have been, by the behaviour of the citizens of the area, the government of the area, the police, the hospital, and ambulance workers, the firefighters and the scientists. I want to pay tribute to everybody who co-operated in this singularly successful venture. Fortunately, it looks as though it will go without serious incidents in terms of human health. And that's wonderful news.

I also feel I would like to pay some degree of tribute to the Solicitor General who, as far as I could make out, was on the scene helping to co-ordinate matters. Since it went well and since we would be likely to criticize him if it had not gone well, I think he deserves some commendation for the fact that it did go well.

I pay tribute to the people as well.

Mr. Cassidy: I was in Mississauga for some time yesterday and had the chance to observe at first hand the way with which the emergency was being handled by the police, the firefighters of Mississauga and of Peel county, as well as the OPP, the RCMP and almost every other governmental authority involved.

I too want to say that the foresight with which the Peel regional police had prepared for an unknown emergency like this one, the speed with which Chief Burroughs and the rest of the force were able to put that into force, the manner in which the various authorities, including the firefighters, maintained their calm and discipline over the course of a very difficult situation, and the sheer feat of evacuating 240,000 people in the course of 24 hours from Mississauga were quite extraordinary.

I think that tribute should be given both to the people who carried it out and also to all of the citizens of Mississauga who cheerfully endured the difficulties that were involved, who did what they had to do, who moved out quickly and in an orderly fashion and who put up with the hardships in the last couple of days. It says something about this province and the people of this province, both the forces of the authorities and also the citizens, that we could have succeeded in doing this. I hope this kind of emergency doesn't have to be responded to again. I hope we can avoid it in the future.

[2:15]

Mr. Kennedy: Perhaps, Mr. Speaker, I might be permitted to endorse the comments we have heard from the Premier and the leaders of the opposition parties. Certainly, it would be remiss not to join in their accolades to the agencies involved: the police, the firemen and those who moved the patients and the elderly from their accommodation with such tenderness and care that it touched everyone. It was done in a manner unprecedented in a civilian evacuation. I do indeed wish to add my commendation and to pay tribute to the care and to the patience and cheerfulness which the people exhibited who were put through this great inconvenience.

There are times in which I wish question period could be developed into a discussion period or a policy period, but that is the way the rules are here. Perhaps I will have a question or two with respect to the current situation later in the question period. Again I add my commendation to those people in the area of Mississauga who were affected by this disaster and to the ministries involved who were there in force in a calm, orderly display of efficiency that was matched by those who responded locally.

We do look forward to these inquiries, both federally and provincially, which I hope will ensure that such an incident never occurs anywhere again in this Dominion of Canada.

Hon. Mr. Gregory: I too would like to associate myself with the remarks of the Premier, and the leaders of the opposition parties and my colleague from Mississauga South.

As a person who was displaced during this crisis and had to move away from my home, I can appreciate the concern of the many people from Mississauga who find themselves in these circumstances. When one visits, as I did, some of the centres that were set aside for them—for example, the International Centre, where some 1,500 people are acting in a very responsible fashion, recognizing that everything that was being done was done for their benefit—one finds we have had little or no disturbance from the people while this was happening.

I would like to commend, as the Leader of the Opposition has done, those bodies associated with Mississauga and, in particular, Peel region, that have handled this crisis in a very responsible way. It makes me, as I am sure it does my brother member for Mississauga South, very proud to represent that area.

TRANSPORTATION OF DANGEROUS GOODS

Hon. Mr. Brunelle: Mr. Speaker, on behalf of the Minister of Transportation and Communications (Mr. Snow), I would like to advise the House of the status of the federal legislation proposed for the regulation of the transportation of dangerous goods.

Since 1976, the transportation of dangerous goods secretariat of Transport Canada has had under development a federal act and code of regulations to govern the transportation of dangerous goods by rail, air, water and highway modes of transportation.

The secretariat's efforts were undertaken at the request and with the continuing cooperation of both industry and the provincial ministries of transportation for the purpose of ensuring the uniform application of dangerous goods regulations to movements across the country, to movements between Canada and other countries and the interchange of freight between the modes of transportation.

The proposed federal system would regulate the packaging and container standards, labelling, storage and transportation of dangerous goods; prescribe documentation requirements for the movement of such goods; provide emergency information, procedures and authority regarding dangerous goods transportation incidents, and prescribe penalties and liabilities for the contravention of the proposed regulatory provisions.

As part of this comprehensive approach, the secretariat, as of July 3 of this year, put into operation an around-the-clock emergency information centre to provide technical advice and assistance and help co-ordinate the notification of emergency agencies and authorities in the event of emergency situations.

As members of this House may already be aware, the draft federal act was introduced in Parliament in May 1978 as Bill C-53 and reintroduced in November 1978 as Bill C-17. However, it died on the federal Order Paper at dissolution last spring.

In this connection, I have been advised by the Ministry of Transportation and Communications that the new federal Minister of Transport, the Honourable Don Mazankowski, speaking to the ministers responsible for transportation and highway safety in Regina on September 20 last, said Bill C-17 will be reintroduced in Parliament in the current session.

I further understand that Mr. Mazankowski, in response to questions raised in Parliament yesterday, said he would reintroduce the bill with amendments within the next

week or 10 days. With this in mind, I might therefore advise the House of the status of three other elements critical to the full implementation of this proposed federal system of regulation.

First, I would note that the proposed federal act and code of regulations are being developed as separate and distinct instruments. The aim, among other things, is to provide the capability to implement the code under federal administrative procedures with provincial co-operation. In this regard, I believe it is most important to tell you the code of regulations is currently in a third draft state of revision, awaiting industry comment prior to finalization.

In Regina, the dangerous goods secretariat forecast the code would be finalized in the summer of 1980. Under the present circumstances, however, and in view of the advanced state of the code development, I would like to assure the House that this government will be looking into ways of advancing that schedule.

Second, it must be appreciated that by virtue of our constitution this is a most difficult area of overlapping jurisdictions. Recognizing this factor, the House amended the Highway Traffic Act in preparation for the implementation of the proposed federal code as it relates to those areas within provincial jurisdiction.

Third, and finally, I should emphasize that the federal, provincial and municipal governments will need, individually and jointly, to make a large number of arrangements concerning the administration, enforcement and funding of the system.

Although I cannot report to you any specific arrangements made at this date, I can tell you this government has such matters under consideration and that the present wording of the draft federal act specifically contemplates formal federal-provincial agreements regarding shared responsibilities and the apportionment of the costs of the implementation, administration, enforcement, training requirements and other matters necessary for implementation of the act and its code of regulations.

MAPLEHURST CORRECTIONAL COMPLEX

Hon. Mr. Walker: I am sorry I do not have copies of this statement for members of the House. It has just been drafted at this moment.

I have just returned from the Maplehurst Correctional Centre in Milton where I went early today to apprise myself of the damage to facilities and details of the incident which occurred there last night. I am now in a position to inform honourable members concerning this disturbance.

At approximately 7:45 p.m. last night, 107 inmates of the Maplehurst correctional complex were watching the monthly movie in the gymnasium when they suddenly began to throw chairs around. Within minutes, a full-scale rampage was launched in the gymnasium resulting in damage to facilities and equipment. This damage is estimated to have been in excess of $50,000. During this spree of wilful damage, washroom fixtures, windows, lights and chairs were smashed. The major damage involved the wilful destruction of a wide variety of recreational equipment, including musical instruments and sports equipment, such as pool tables and ping pong tables.

At the height of the confusion, 18 inmates battered their way through a door to a power and heating equipment room and then through another door to the roof of the building from which they leaped to the ground and escaped. I understand seven of these escapees have already been recaptured.

When the incident erupted, supervisory staff withdrew from the gymnasium and were joined by other staff who secured the exits from the gymnasium area. One staff member, a recreation officer, who was acting as projectionist for the movie, was trapped in the projection room. Inmates hammered at the door and damaged it seriously in attempting to reach him. Fortunately, in the midst of the chaos, some inmates chose to act responsibly. They intervened on behalf of the recreation officer and escorted him from the projection room and eventually led him to safety.

Shortly after nine o'clock, or approximately one hour and 20 minutes after the incident had begun, staff had restored order. Subsequently, a total of 71 inmates were escorted from the medium security institution at Milton and dispersed to two maximum security institutions in Metropolitan Toronto.

We believe the incident was an act of retaliation by inmates of the correctional centre against staff for taking disciplinary action against four inmates earlier in the day. Following a sports competition, four inmates attacked another inmate in a washroom, resulting in an injury which necessitated the amputation of part of a finger. Police were called in to investigate that incident and we anticipate the laying of criminal charges against four inmates in connection with that incident.

I am pleased to report that the staff at Maplehurst Correctional Centre did an outstanding job in bringing this potentially very

dangerous situation last night under control with no injury to inmates or to staff.

I would also like to thank the Halton regional police and the Ontario Provincial Police, who responded quickly to remain on standby should they be needed. Maplehurst staff controlled the situation in the institution without the use of police, but we were most appreciative of the support that their presence provided outside the institution.

As honourable members will be aware, especially those who served on the committee that considered my ministry's estimates this year and visited the Maplehurst complex, this is a modern facility that provided an outstanding program for inmate population. This new institution, which opened in 1975, has accommodated more than 4,000 inmates, many of whom have benefited from the excellent academic, vocational and work opportunity programs it has offered.

In the past, inmates have treated the facilities and equipment with respect. It is therefore most unfortunate that this irresponsible rampage will limit some of the future programming not only for inmates who were not involved in the incident but also for inmates who in the future will be sent to this institution to complete their sentences.

The recreational equipment that was destroyed will not be replaced in the immediate future. In this time of financial constraint there is no money to replace it in the ministry's budget, and I do not intend to free up funds for it. Therefore, the replacement of equipment will be largely dependent on how soon money can be raised by inmates to replace it. I realize this will impose program limitations on inmates who were not responsible for the damage. However, perhaps some of those same inmates will finally come to appreciate what it is like to be a victim of a crime.

The inmates involved in this regrettable incident will be subject to disciplinary action, and one way or another they will pay for their irresponsible acts. When recaptured, the inmates who escaped will be taken before the courts where criminal charges will be laid. The other inmates will appear before the superintendent at a hearing to determine the degree of their involvement in the incident.

I have authorized the superintendent of Maplehurst Correctional Centre to order the forfeiture of the earned remission which is standing to the credit of any inmate who was involved. The loss of remission will be proportionate to the inmate's degree of involvement. I have further instructed the superintendent that the inmates must pay for the destruction they have caused. Inmates who were involved will forfeit any weekly incentive allowance they have standing to their credit.

Inmates who are determined to have been ringleaders in the incident will be placed in segregation with a complete loss of privileges. This means they will have restricted visiting rights, the loss of television privileges, the loss of mattresses in their cells and they will be denied library and smoking privileges. Inmates at the centre will clean up and repair the damage themselves.

In summary, the situation at the centre is calm at this time, and the programs within the adult training centre portion of the complex, which was not involved in the disturbance, are proceeding as usual.

[2:30]

As well as thanking the police for their standby assistance, I wish to express our sincere appreciation for the excellent work that has gone into the apprehension of some escapees and the search for others. I realize the police in this region were already hard pressed by the situation that resulted from the train derailment in Mississauga, and I regret the added strain on the police resources that this situation necessitated.

Mr. Speaker: I want to remind the Minister of Correctional Services that standing order 26(b) definitely states a copy of any ministerial statement will be distributed to the opposition parties at or before the time the statement is made. I was conferring with the Clerk at the time you admitted you hadn't circulated your statement. I just want to serve notice that in the future I think we should live up to that standing order.

ESL PROGRAMS

Mr. Grande: Mr. Speaker, a point of privilege: On Friday last, while I briefly left the Legislature, the Minister of Education (Miss Stephenson) answered a question I had asked previously. In her response, she suggested the statements I had made were untrue. The minister's allegations are groundless and I would like to correct the record.

I suggested on November 5 that many children requiring English as a second language in the city of North York were not receiving it. The minister reported, and I quote: "This matter has been investigated thoroughly and the answer to the allegation is that it is entirely untrue. The North York board has completed an audit of all the young people requiring English-as-a-second-language training and at the present time the staffing for English in North York has more

than doubled the rate provided by the Metro formula."

Mr. Speaker, I suggest the minister was less than thorough. In the first place, the Metro formula will not ever generate adequate teachers for English as a second language.

Mr. Speaker: Order. What is the honourable member's point of privilege? If you are going to stand up here and make a prima facie case for a point of privilege, you must demonstrate at the earliest possible moment and as quickly as possible how your privileges, as a member of this assembly, have been abrogated. If you can do that. I will listen to you further.

Mr. Grande: Mr. Speaker, I am correcting the record, sir.

Mr. Speaker: How?

Mr. Grande: By the minister—

Mr. Speaker: This is obviously a difference of opinion between what the member for Oakwood says and what the Minister of Education says. If this is alleged to have taken place last week, you should have raised it at the first opportunity. You said you were away from the House for a brief period of time and returned. I think you had a responsibility to correct the record last week, not now.

Mr. Grande: Mr. Speaker—

Mr. Speaker: Would you like to challenge my ruling?

Mr. Grande: No.

Mr. Renwick: Mr. Speaker, if I may, my colleague is rather polite. The point of privilege was he had been accused of lying to the chamber.

Mr. Speaker: I doubt that's what he said, because if anybody accuses another member of telling a deliberate falsehood, I am sure any presiding officer of this House would have caught it.

ORAL QUESTIONS

GAS AND OIL PRICES

Mr. S. Smith: A question for the Premier with regard to yesterday's conference: If we are to judge from the Premier's statement today and also from the televised conference and the media report, it would appear that Ontario was successful neither from the point of view of getting our price argument across, nor from the point of view of having a redistribution of the benefits of such price increases.

Under these circumstances, although the Premier referred to the private meetings as well, is he absolutely certain nothing happened in the private meetings that might in some way mitigate this general impression of failure? If not, what does the Premier feel now remains that he can possibly do in order to influence the outcome of what the final decision will be?

Hon. Mr. Davis: I can tell the Leader of the Opposition that nothing happened in those private meetings that was really in any way substantially different from the public discussions. There were two aspects. One, that of the distribution of proceeds, I think in terms of what the producing provinces feel is their share or whatever they determine by way of royalty, was supported by every other province there. Ontario was the only one that raised this publicly and also at the private meetings.

I think that is going to continue to be an area of debate over the next number of years. I think it is something that is not going to go away. I would be surprised if there isn't a decision made to have a committee, perhaps the Ministers of Finance and Treasurers of the provinces, get together to take a look at the whole question of the foundation for the equalization program and whether or not resource funds are to be considered a part of it.

Of course we would like to see that sort of study done, except I would predict the results of that study would then impose fairly substantial burdens on the federal treasury. In terms of the overall financial position of the country I think these would be difficult to sort out. But I think it is the kind of study that will have to move ahead if the distribution is to remain as is at present constituted.

I am sorry to take so long but it is an important issue. One of the points made by the producing provinces, which has some validity in terms of their perspective, is that their present royalty of roughly 45 per cent applies to those depleting resources such as the conventional crude. When it comes to the synthetics or the crude from the tar sands, the royalty or tax, or whatever way one would wish to describe it, moves down to a figure that is probably closer to 15 per cent.

That hasn't yet been defined, and I think it is a little early. But their argument—just so the members will know—is that their 45 per cent royalty on the conventional sources is depleting, it is diminishing over a period of years. They argue that their rate of return, or however we wish to describe it, on the synthetics would be substantially less.

I don't think that answers what I think is a broader problem. This is not just in terms

of what money might be going in one direction or another, but in terms really of one of the basic ingredients of Canada. The counter-arguments—and you saw it, those of you who watched—were the very strong statements from every other provincial jurisdiction with respect to the resource sector. There were some Premiers who had reservations on some aspects of price, but on the question of resource responsibility there was just no other Premier—and I guess this hasn't altered in the last 10 to 15 years—who was prepared to accept anything less than total provincial control.

In terms of price, I think it is premature to debate that question. I think there will be an opportunity here when that decision is made. One has to assess the results of these things not just on the two particular items but on some of the broader implications. We were arguing very strenuously for a number of the "ifs" and "buts" to be in place prior to a price decision.

I think it is fair to state, and I am not in any way being critical, that a lot of other first ministers yesterday said, "We agree to moving towards world price. What are you going to do about this situation?" The maritime provinces, for instance, referred to electricity, because so much of their generating capacity is fuelled by imported oil. I am totally sympathetic with their situation. Their hydro rates I guess are more than double ours, and the impact there is very severe.

Our approach has been, let's put the "buts" in place. Let's have a committed policy for national energy security or self-sufficiency, some rationale in terms of conservation, some program in terms of protection of the consumer and some—we didn't propose a bank, we proposed a fund, and out of this emerged a proposal for a bank.

The other part that I think in the long run has some genuine pluses for this province —for all of us, including the manufacturing sector—while there is no agreement, is the view as represented by the government of Canada, and not disputed by the province of Alberta or the other producing provinces, that a figure less than Chicago or world price, in general terms, would be acceptable. The 90 per cent figure has been suggested. I would argue, obviously, for a lower figure. But this does indicate a shift from the discussions of four years ago. On the question of price, I can't be any more helpful than I have been. Everybody knows Ontario's point of view. I can assure the House, because I sat there while there was some brief discussion, that there was no agreement concluded on price with the producing provinces as of when I left Sussex Drive—and I was the last one to leave—about 6:05 last evening.

Mr. S. Smith: By way of supplementary, I think it would appear from the Premier's answer in terms both of price and the redistribution of the money that comes with the higher price, Ontario has not succeeded in persuading a single province to our point of view.

Keeping in mind that in Ontario we have had the largest increase of any province in unemployment during the month of October, a seasonally adjusted increase of 31,000 on our unemployment rolls—and we're just heading into the winter—what is the Premier's strategy to deal with this increasing unemployment this winter, especially now that high interest rates, high energy prices and a drain from our economy as well will one pile upon the other, creating grave difficulty for our citizens?

Hon. Mr. Davis: I pointed out some of the concerns. I'm not being facetious but I'm sure the Leader of the Opposition hasn't had an opportunity to read the papers we brought there on Saturday or Sunday. I'll get both of them to him. We expressed some of these concerns in these.

I should point out, though, in fairness, while I think there was a desire—and I can't say this is going to happen—on the part of some to have the price on January 1 increased by $3 rather than the $1, I am relatively optimistic. I can't say it definitely, because we're not part of that final decision, but the price increase will probably be only $1 on January 1.

The impact of this is then postponed until March 1. So in terms of home heating oil, a good bulk of the coming season will not be at the new price. I think it's fair to state—I can't calculate in litres—that the four cents per gallon for gasoline would take effect on March 1, not on January 1. Our papers really presented the concerns that will probably manifest themselves to a greater extent next summer than will be the case this coming spring. In other words, and I want to qualify it, I hope it will be $1 in January so that we will have the winter and spring period with the impact of that amount of money and not something in excess of that.

Mr. Cassidy: Supplementary: Since it's clear that Ontario fought the good fight on behalf of Ontario's consumers and industry at the first ministers' conference, but lost, can the Premier now say specifically what steps Ontario intends to take within Ontario's own

jurisdiction in order to protect consumers and to maintain the strength of our industry in the face of these very substantial increases in oil prices taking place next year and in 1981?

Hon. Mr. Davis: I can assure the member we made every effort to fight the fight yesterday. I think that was obvious to everyone. I would say to the leader of the New Democratic Party in terms of our own strategy—and we're not minimizing the potential of these impacts—we have had in place a strategy related back really to 1974 and 1975 in terms of our own industrial economy. It's not going to make it any easier. Anyone who suggested it is, I think, is making a fundamental miscalculation.

In spite of the problems we foresee, I think we can be sufficiently creative here. There is a sufficient strength in the economy of this province that we will contine to make progress. It's going to be tougher, but the program that has been developed by the Minister of Industry and Tourism (Mr. Grossman) and the Treasurer (Mr. F. S. Miller) has happened during the course of an increase in energy costs generally throughout Canada, and I think we've been successful to date.

[2:45]

I do not have any specific point to make today with respect to the potential impact on some segments of the consumer groups. When I say that, I made it very clear in our presentation, and this was supported by a number of other Premiers, that for certain segments of our society—people on fixed incomes, senior citizens, et cetera—there should be built in to whatever may emerge by way of national energy policy a program allowing for a sufficient amount of the funds flowing from the oil and gas industries generally, to be used to offset the impact on some consuming groups. This was one of the main points we argued in August.

I think to say at this stage that we would move unilaterally would be inappropriate; I think it is part of the considerations yesterday that the government of Canada must feel a very real obligation to deal with this issue we have raised. I sensed from what the Prime Minister said, and from what others said, that there will be a policy for some form of consumer protection related particularly to those two or three groups I have mentioned.

Mr. S. Smith: Final supplementary from me, Mr. Speaker: In view of what the Premier has said regarding equalization as a possible route for dealing with the redistribution of some of this revenue; is the Premier now prepared, in view of the fact there is no other apparent immediate solution to the redistribution problem, to remove Ontario's agreement from the federal-provincial deal which led to the bill that is going to take away retroactively our right to equalization money that already exists? In other words, if I may simplify a somewhat wordy question, is the Premier now prepared to insist Ontario receive the money that was coming to us for the past year or so, and not have that right removed retroactively with regard to equalization?

Hon. Mr. Davis: I think the provincial Treasurer has answered this. I know it is very hard to explain in a way everybody would understand or agree with. The bill, and the policy as at present there, never envisaged that Ontario would be a recipient of equalization payments. That has never been the feeling. The fact that because of the existing formula, which on a technical basis doesn't relate to resource, Ontario could be the recipient today—and I forget the figures; they have been debated here in the House—this to me is really sort of a negation of what was intended.

We could start to become legalistic. I think really it does offend in general terms and in policy terms what this province's commitment has been to Canada in the sense of our participating with the other provinces of Canada. While I am not happy with what is happening in terms of distribution of oil and in terms of whatever may occur in price —I had better withhold that judgement until I see—I don't think that is the kind of thing that would prompt me to say, "Well, we didn't get it this way; let's go back and try to get it another way."

I would say to the Leader of the Opposition I think it is a very legitimate question to ask; but it is not something, quite honestly, that I would recommend to the Treasurer that he move on at this time.

Mr. Peterson: I want to question the Premier's interpretation of the current fiscal arrangements act. In the judgement of a number of observers of the scene, they would argue that Ontario is entitled legally and morally, under the current arrangements because the object of that act was not concerned about per capita income, the concern was to equalize provincial revenues on a per capita basis, and increasingly by your own arguments we are morally entitled to that money.

Why wouldn't the Premier use the most logical route ahead of him right now? He has gone in the posture of a pauper; why wouldn't he go back now and say, "We are

legally entitled to that. If other provinces are going to play that kind of game, we are going to play the game. We are legally entitled"?

Hon. Mr. Davis: The member for London Centre is very familiar with how the finances of this country work. I would only make this observation: Yes, legally, we are perhaps entitled—

Mr. Peterson: And morally as well.

Hon. Mr. Davis: I think that is where one has to make something of a judgement. One should remember that it is fine to say to the government of Canada, "We are entitled to X million dollars," when the member must remember we are really talking about 43 per cent of those dollars having been paid for already by the taxpayers of this province. That is where the money initially came from.

If the honourable member wishes to add—and I am sure he doesn't; he takes a very responsible position—to the already difficult financial problems of the government of Canada—and I am not casting stones at the previous administration, but I wonder whether there is anyone, and the member for London Centre has made this point on many occasions, who doesn't sense there is some genuine difficulty in terms of the extent of the federal deficit or balance of payments—if he feels this would add to a solution by imposing this maybe moral obligation on the government of Canada, knowing that the source of those funds, 43 per cent or 44 per cent of them, is primarily from the taxpayers of Ontario, I'm just not sure that makes a lot of sense.

I don't quarrel with the question, but it's not something that at this stage—I emphasize "at this stage"—I am prepared to recommend that our Treasurer pursue.

MISSISSAUGA TRAIN FIRE

Mr. S. Smith: Mr. Speaker, again a question to the Premier, in the absence of the Solicitor General (Mr. McMurtry), with regard to the Mississauga disaster. Can the Premier tell the House, if he knows the facts, what the nature of the public inquiry is going to be into the event? Can he assure us that the inquiry will be public? Can he tell us what the terms of reference will be and what input the province will have into those terms of reference, if it happens that the federal jurisdiction holds the inquiry? Basically, can he bring us up to date on how eventually the public of Ontario is going to learn the facts of this very unfortunate matter?

Hon. Mr. Davis: Mr. Speaker, I can't give the Leader of the Opposition any definition of the form this inquiry may take. I was asked yesterday whether it would be a royal commission. I don't envisage it—although I haven't discussed this aspect with the Attorney General—being a royal commission in that traditional sense of the word.

I think there's no question that a part of it, at least, would be of a public nature. I don't think there's any question about that. I understand the potential is there for the Canadian Transport Commission to have a public inquiry into the actual physical cause of the accident, which may have been a truck—I don't mean by that, another vehicle—on one of the cars or something of that nature. I think that is one consideration.

The broader consideration as I see it, at least, is to determine in what way we can prevent this sort of situation from occurring again. I think that has to be the main thrust of whatever inquiry is conducted; to find ways and means to transport goods, which we all know have potential hazards, but which we all know, none the less, have to be moved, from one point to another.

I can't tell the Leader of the Opposition any more than that at the moment because, quite honestly, the Attorney General has been extremely busy just trying to help with the existing situation.

I said to the press, yes, there will be an inquiry. The Attorney General has said this. I communicated my concerns to the Prime Minister yesterday, just shortly after nine o'clock, and I have his assurance that in whatever way the government of Canada can co-operate, this will be done. As to just what form it will take, I think it will be three or four days before we can make that determination.

Mr. S. Smith: I have a supplementary question to the Premier, having to do with matters of liability as a consequence of the accident. Can the Premier tell us whether the province of Ontario will be negotiating with CP Rail or taking CP to court in an effort to recover the costs which Ontario has incurred in the entire evacuation operation, as well as in the firefighting and cleanup operation? In particular, is the Premier in a position to comment on the so-called waiver, which allegedly has been demanded of citizens of Mississauga when they request that out-of-pocket expenses be reimbursed by CP? Is this waiver something the Premier thinks should be signed by these citizens? Has he any information or any view on that matter?

Hon. Mr. Davis: Mr. Speaker, I have only the general information that CP has offered to those people affected it will pick up hotel

bills. How extensive the offer is I quite honestly don't know. I haven't had a chance to discuss with the Attorney General whether or not the waiver on it constitutes something that would limit CP's liability or in any way inhibit the individual's potential expenses in case of further damage.

With respect to our own situation, there will be, obviously, additional costs, primarily I would think because of the extra Ontario Provincial Police officers, or those who are entitled to overtime, et cetera. There has been no discussion as to what our approach is going to be on that matter. I think it will probably be two or three days before we're in a position to make that sort of determination.

There will also be—and I'm sure the municipality is already looking at this—the liability in terms of the recreation commission. For instance, their building was partially destroyed, as were some of their vehicles. There will be the question of liability in terms of the firefighters and the Peel regional police. All of these things will have to be taken into account. My guess is there will be some discussion between the province and the city of Mississauga as well to see what approach we might take co-operatively.

So far, although I have had no direct communication, there has been every indication that CP, in terms of the individuals who have been affected, is making an effort to see that instant out-of-pocket expenses are reimbursed. I wouldn't want to venture an opinion on whether the waiver is proper or not until I've seen it or had some consultation with the law officers of the crown.

Mr. Cassidy: Supplementary: Will the Premier undertake, on behalf of the government, to inform CP that the demand for a waiver is unreasonable and is unacceptable when people who are just beginning to plan to return to their homes have no idea of whether there has been any damage to their homes, their gardens or things that they own because of the emissions from this particular crash; when they cannot possibly measure what the long-term consequences of this particular disaster could conceivably have been on them? Will the government tell CP that the offer of meeting the expenses is welcome but that it should under no circumstances impose the condition of the waiver at this time?

Hon. Mr. Davis: Mr. Speaker, I'm obviously concerned about this aspect of it. I'm trying to look at it objectively, and I'm making no brief for CP, but if there is a desire to get money to people instantly, if that is the reaction of CP, it may be the member could be right about the waiver but perhaps we should leave the question of total liability, if there is total liability, until somewhere further down the road. That may be a wise course to take, but I know of a few situations where people are money out of pocket for Sunday and Monday night and would like to have that reimbursement. I think one has to weigh this.

This is being looked into and we will make sure, as a government, that no one is being disadvantaged; but at the same time we don't want to inhibit, either, the transfer of some funds for those people who have a genuine need and can't wait for two or three weeks, a month or however long it might take the favourite profession of the member for Brant-Oxford-Norfolk (Mr. Nixon) to deal with it.

Mr. Kennedy: I have a supplementary. As one of the early evacuees, although we're very interested in the details of the upcoming inquiry could we be informed of how long the removal of the chlorine from the one existing tank car—and we're not sure how much the contents are—might take? Following that, when that is removed, will the people be able to return to their homes? Can the Premier give an estimate of how quickly this could take place and if this is the final thing that is keeping the people, the thousands who are still under the evacuation order, from returning?

Hon. Mr. Davis: Mr. Speaker, I have to be very careful. Can I phrase it this way to the member for Mississauga South: my best information is that at about 10 minutes to two, when I was talking to the Attorney General (Mr. McMurtry), they were in the process of sealing the chlorine tanker. The guesstimate would be that will take approximately two or three hours, but I am no technician so I am not putting any time frame on it, that was the best guess.

Once the chlorine tanker is sealed the decision can be made as to whether it can be pumped out safely or whether it can be moved in some way. The best guess at this moment is that the people within the general boundaries I described, with perhaps the people south of the QEW, will be able to return later this afternoon and this evening should be the last night people within that other area are away from home. I emphasize to the member for Mississauga South that I would not want the public, or whomever, to say the Premier says everybody can go home tomorrow. I don't think I'm in a position to make that statement yet, but that is the likelihood.

Mr. B. Newman: I have a supplementary. Will the Premier assure us that the inquiry

will go beyond simply the transportation of dangerous cargo such as in this case, but will also include the overnight storage or parking of dangerous cargo, especially in built-up areas, as occurred in the Windsor situation when CPR in the first instance triple-tracked an area and then parked hazardous cargo within 100 feet of a school and within less than 50 feet of homes?

[3:00]

Hon. Mr. Davis: My guess, and I can only help the honourable member to this extent at this moment, is that in any inquiry that relates to the transportation of material such as propane, chlorine, et cetera, obviously the transportation study would include the question of storage. Storage, one could argue, is when that tanker is standing still on a siding in the city of Windsor, that is on the rail line but standing still so it is temporarily stored. My guess is anybody involved in such an inquiry would in fact include that sort of situation.

GAS AND OIL PRICES

Mr. Cassidy: A question of the Premier, Mr. Speaker, related to the first ministers' conference yesterday. Since the Premier said, and I quote, "It would be unconscionable for the federal government not to return all discretionary new revenues back to the people," can the Premier tell the House specifically what he proposes to ensure these new federal revenues generated in Ontario by the federal government's proposed increase in the price of oil in 1980 and 1981 are in fact returned to the people of Ontario?

Hon. Mr. Davis: I think I was talking about consumers generally. I sensed from the discussions yesterday that the federal government will have a program for some cushioning in terms of some consumer groups. I can't be any more definitive than that, but that was the general proposition that was stated.

I think it is fair to say that quite obviously the funding of the energy bank, which is obviously related to energy security or self-sufficiency, a portion of that will come out of whatever additional revenues the government of Canada receives. That in turn, in my view, is a return to the consumer from the standpoint that the consumers of this province are as vitally interested in security of supply or energy self-sufficiency as any other province in Canada, in fact probably more so than some. If those moneys that would come out of any increase and that flow to the federal government are allocated, to take another example for substitution of fuels, if there is an incentive program for substitution, then I would construe that as being a return in terms of what consumers are spending, because that is in our total interest.

It would apply as well to some conservation programs; perhaps the question of the financing of CHIP, things of that nature would in my view be legitimate expenditures for the government of Canada to make out of additional revenues they might receive.

Mr. Cassidy: Supplementary: Will we have an assurance the revenues generated for the federal government here in Ontario, and those revenues will amount to an estimated $180 million in 1980 and $760 million in 1981 through the currently proposed increases, will in fact be returned to the people of Ontario and not be given out as a new form of handout to multinational oil companies?

Hon. Mr. Davis: I quite obviously am not in a position to give that sort of guarantee because I won't be writing whatever legislation emerges. I think the leader of the New Democratic Party has read our statement, he knows Ontario's point of view; but for me to give a guarantee that will be the case I quite frankly can't.

I think it is also fair to state there is another aspect of return to the consumer, we have to be quite fair about, and that is the question of the equalization of the oil price; there have to be some federal revenues to bring about this equalization.

It is not just a question of the people in Quebec or the Maritimes being the sole beneficiaries. There are one or two members—well the two members opposite—who are the beneficiaries of the oil equalization policy if they buy gasoline in Ottawa Centre. I mean if those two members were not buying gas there they would be paying an extra 25 cents or 30 cents a gallon right at this moment. We have to be consistent in terms of a commitment to oil price equalization, because there are 600,000 people or more in the province of Ontario who are the beneficiaries of that particular policy because they happen to be east of that mythical line from the valley down to just east of Kingston, or wherever it is.

Mr. Conway: Supplementary to the Premier concerning the Prime Minister's statement yesterday that one of the considerations in federal policy will be the possible transfer of the Canadian Home Insulation Program to the provinces: Can the Premier indicate

whether or not he discussed this further with the Prime Minister? Can he indicate whether or not it is the Prime Minister's firm intention that the program be transferred, at least administratively, to the provinces at an early opportunity, with increased funding? Is it proper to assume that this government is actively pursuing such a transfer in the interests of consumer protection and conservation in Ontario?

Hon. Mr. Davis: This was one of those items I mentioned to the Leader of the Opposition earlier, where there appeared to be some general consensus but which would take the officials of the various ministries a period of time to work out. One of them is CHIP and the possibility for its administrative transfer to the provinces, hopefully with perhaps some greater flexibility or some additional funding for the program itself.

I think I can state that if in fact we find it is administratively better for the provinces to do it, if we think we can do it more effectively, if this is to be funded out of the federal revenues, et cetera, then I think our inclination—I say "our inclination" because we want to see the details—would be to take on this responsibility; that is if we genuinely think we can do it more effectively.

Mr. Cassidy: A supplementary, Mr. Speaker: Could the Premier tell us if he is aware of the fact that the new federal revenues which will be generated within Ontario by the proposed price increases would be enough to provide for a tax credit of $88 per family for people earning less than $22,000 in Ontario this coming year and $180 per family in 1981, and could still provide close to $400 million in terms of energy self-sufficiency projects in Ontario? Will the Premier of Ontario, having lost the case on price, be pressing to have this kind of money come back into Ontario; or when he says the discretionary new revenues should go back to the people will Ontario once again be left the loser in negotiations with the federal government?

Hon. Mr. Davis: I can only say to the leader of the New Democratic Party what I said about eight minutes ago: Our point of view has been expressed. There is, I think, a general concensus—and certainly this was part of the Prime Minister's statement as I recall it—that policies would be developed to provide protection for consumers. I have to tell the leader of the New Democratic Party the federal policy has been defined for us no more than that at this precise moment. I can't tell him any more until I know some more. When I know more I will share it with him.

CLEANUP OF SPILLS

Mr. Cassidy: Mr. Speaker, I have a question of the Minister of the Environment. Can the Minister of the Environment explain why it is that we are now beyond 11 months from the introduction of the current Bill 24, the spills bill; and will the minister assure the House that bill will be given quick acceleration by the government in order that it receive third reading before the House rises at the end of December?

Hon. Mr. Parrott: I think there is no doubt that bill will be finalized before the end of this session. There are many reasons why it hasn't been here for third reading, partly because I think many members wanted a pretty extensive debate on the bill itself, partly because the committee was preoccupied with other matters, which is fair enough. Indeed, most of the clause-by-clause consideration of that bill is completed. I suspect with only one amendment yet to be considered it will then pass speedily through the remaining stages of committee and third reading.

Mr. Cassidy: Supplementary: Will the minister not agree that the New Democratic member for Beaches-Woodbine (Ms. Bryden) has consistently pressed the government to accelerate consideration of this bill but has met continued resistance from the Conservative side within the committee? Would the minister not agree now it is essential that the principle there be a cleanup when there is an environmental spill be adopted in legislation in Ontario, particularly after the disaster we have just had in Mississauga?

Hon. Mr. Parrott: I certainly would not agree with that at all. The truth of the matter is there has been a great deal of discussion on this bill. There is no question it is a bill of which I and my ministry are particularly proud. It is good legislation. That doesn't mean we want to cut short the debate. As a matter of fact, I recall time and time again during estimates where it was not unusual for the one party to have an hour and a quarter, the other party to have an hour and a quarter, while the Tory members out of that two and a half hours were left with 15 minutes of debate.

On no occasion, I say to the honourable member, have our Tory members taken more of the time on that committee than the members opposite.

Ms. Bryden: Supplementary: I would like to ask the minister is it not true that the final

amendments were tabled only two weeks ago, or maybe 10 days ago, and that when the committee had time for dealing with this bill, the Conservative members were not willing to sit when I moved that we sit on a certain part?

Mr. Martel: The chairman was on vacation.

Hon. Mr. Parrott: If memory serves me correctly, it was the member for Beaches-Woodbine who wanted another delegation to make a presentation to that committee. That is one of the major reasons that bill was held up.

MAPLEHURST CORRECTIONAL COMPLEX

Mr. J. Reed: My question is for the Minister of Correctional Services. I understand that the minister has been out to Maplehurst today and is launching an investigation into the disturbance that took place last night. There are three parts to this question. I wonder if the minister could either answer them today or take them under advisement and use them in the course of his investigation.

Mr. Wildman: Put them on the Order Paper.

Mr. J. Reed: First of all, could the minister tell us how this disturbance will affect the working-out program from Maplehurst which has proven to be quite successful? Has he any comment to make on that at this time or will he have in the very near future?

Second, did the minister, when he was directing that certain action be taken regarding compensation and so on, also direct that due consideration be given to those inmates who took it upon themselves to protect a staff member in that disturbance, the projectionist?

Further, will the minister investigate the design of this medium-security institution that is apparently designed in such a way that would allow such an escape to take place?

Hon. Mr. Walker: I think I could reply to the three questions at this moment. I would say to the member for Halton-Burlington with respect to the program of community service being afforded by Maplehurst centre, although it has ceased today we expect it will resume very shortly. I will say most of the programs—in fact all of the adult training programs—in the centre continued on today without interruption when calm had been fully restored. We do expect the programs to resume certainly by the first part of next week. They do provide a great deal of service to the area communities.

The second question related to the individuals who gathered around to surround the projectionist to protect him from the mob at that moment in time. I would say those people have been identified and will not in any way be affected by any reprisals that are taken at the institution by the administration.

The third question is that of design. It is a medium-security facility, and we are now going to reassess the whole question of the security at that facility. This is generally in line with a growing preponderance of heavier-term individuals which is causing some pressure within our system. We will certainly be looking at the security aspects of that facility.

Mr. J. Reed: Supplementary: Is the minister indicating by that reaction to the third part of that question that indeed the institution is being used for the serving of sentences beyond its original design and beyond its original concept?

Hon. Mr. Walker: No, not beyond its original concept. In the period of the last five years the people who now remain in our institutions tend to be more hard core. At one point they were diluted, so to speak, by easier-term inmates, who have a sedative effect on the operation of the institution. Certainly, there is no question of it at this time.

[3:15]

Mr. Renwick: By way of a supplementary question: I was very worried about the minister's statement that four charges will be laid. Will he explain to the House what he means by that? Is he being presumptuous or do the crown attorneys or the justices of the peace still have something to do with whether or not charges are accepted against people?

Hon. Mr. Walker: We have been advised that charges will be laid against the inmates who were involved. The inmate who was attacked has had discussions with the police and the police are laying charges.

Mr. Renwick: The minister doesn't understand the rudiments of law. I don't know where he took his law.

J. D. CARRIER LAYOFFS

Mr. Mackenzie: A question for the Minister of Industry and Tourism: Can the minister explain to the House why, in view of a $2 million loan guaranteed by the ODC to J. D. Carrier Shoe Company Limited for 1978-79, which was on the basis of an expansion to provide 195 new jobs in one year and 470 jobs within five years, 1,400 footwear employees were permanently laid off last Fri-

day? Can he tell us why there was not a statement? Can he tell the House whether or not he was informed in advance? Can he say what kind of discussions he was involved in that would protect the workers and the $2 million investment?

Hon. Mr. Grossman: I am not sure how many months ago ODC gave some assistance. Carrier had quite a fair degree of capital put up by the principals involved in the company. It is fairly well backed and its backing included some from the banks, which had also carefully reviewed the situation. A combination of circumstances, including a simple downturn in the market of more monumental proportions than they had anticipated, caused Carrier to get into some degree of difficulty.

At the present time there are trustees and receivers in the operation. We have contacted them, and of course they contacted us as a creditor. Our indication to them was that we would prefer to see arrangements made which would maintain the jobs. We preferred that one of two things happened: either the operation would be purchased by someone or adequate refinancing would be made available to keep it going.

ODC reports to me they still believe that in the long term J. D. Carrier Shoe Company Limited does have a fairly decent hope of success. In order to get over the short term I have encouraged ODC to be as lenient a creditor as possible. I'd like to ensure that either a new purchaser can come in or that the current operators get whatever leniency they require from ODC in order to permit them to continue to operate.

Mr. Mackenzie: Supplementary: I fail to understand the minister. It doesn't sound to me as if they had any discussions at all while this was going on, or in advance.

I am wondering if the minister can tell the House what is being done to protect the workers in this case? Can he inform the House whether or not he was aware of the long history of very unacceptable labour relations of this company when the loan was approved? Can he say whether any monitoring was done of this company when they disposed of the only two plants they had taken over where the workers had a contract within the last year? Just what is going on in the case of J. D. Carrier Shoe Company Limited and the loan we have given them?

Hon. Mr. Grossman: When Ontario Development Corporation reviews these loans—and I remind the member it's a decision made by the ODC board on the recommendation of staff—it does it quite properly on a straight businesslike basis. They assess the market. They assess the financial viability of the firm. They also are interested to see whether banks and other financial institutions are prepared to stand behind the company and the degree to which the principals are prepared to stand behind the company.

Labour relations are traditionally not something I would expect ODC to look into, except to the extent it might indicate some basic instability or some basic problem which would affect long term profitability.

Mr. Cassidy: Hear no evil, see no evil.

Hon. Mr. Grossman: ODC monitors its loans. Our field staff is out there monitoring the progress of its loans all the time. I think I will conclude by saying yes, we have monitored the situation from the time the loan was given right up until today, and we are continuing to do everything we can to make sure the employees are protected.

EXPLOSION SUPPRESSION

Mr. Leluk: Mr. Speaker, my question is to the Premier. In view of the near-catastrophic accident in Mississauga this last weekend, and in view of the fact we have a commercially-available Canadian product called Explosafe, an explosion suppressant system manufactured here in Rexdale by Vulcan Industrial Packaging Limited, which in all probability would have prevented the tank cars carrying the propane and butane from exploding; would the Premier undertake during the course of the provincial inquiry to investigate the potential use of Explosafe to equip tank cars carrying potentially explosive hazardous chemicals in order to prevent future disasters of this kind?

Hon. Mr. Davis: I am—

Mr. Martel: A short answer.

Hon. Mr. Davis: Why? I can assure the—

Interjections.

Hon. Mr. Davis: Oh so this is it; this material the member has sent across to me. There are some days I could send this across the House.

Mr. Martel: Don't drink it.

Hon. Mr. Davis: I can assure the member for York West I will ensure this particular suggestion is brought before whatever inquiry is developed.

I notice the plant is located in the very favoured community of Rexdale. The only observation I would make is I hope there are a number of employees there who live in Brampton, but whether there are or not I certainly will bring this to the attention of whatever inquiry is conducted.

MARGARINE PRODUCTS

Mr. T. P. Reid: I have a question of the Minister of Agriculture and Food, but perhaps the Minister of Consumer and Commercial Relations (Mr. Drea) might be interested as well.

Has the Minister of Agriculture and Food contacted his counterpart in Ottawa concerning the study that was done by that ministry in Ottawa in regard to margarine, which indicated that over half of the margarine being produced contained between 25 and 40 per cent fatty substances which are of concern to people who are on high-risk heart attack types of diets? Has he contacted the minister and has he made that list of margarine available to you?

Hon. Mr. Henderson: We have been well aware of this for quite a number of years. No, I haven't contacted the minister.

Mr. T. P. Reid: I am sorry, all I caught is that the minister is aware of it. Has he asked the federal minister to make this list available so the consumers of Ontario will know what products could be injurious to their health? Surely as minister here he is concerned that that information be made available.

Hon. Mr. Henderson: My answer to the honourable member firstly was we have been aware of the fat content. The medical people, everybody have all been aware of the percentage for a great number of years.

Mr. M. Davidson: The consumer isn't. What are you doing about it?

Hon. Mr. Henderson: My final answer to the honourable member was no, I have not contacted the federal Minister of Agriculture.

Mr. T. P. Reid: One further supplementary: In view of the importance of this matter, will the minister publish a list of those margarine products high in fatty substance so the people of the province will know; or as an alternative will he impress upon his kissing cousin in Ottawa that he should make that study available? Again, it was paid for with taxpayers' money and they have a right to know.

Hon. Mr. Henderson: We will look at the proposal.

TRANSPORTATION OF DANGEROUS GOODS

Mr. Philip: Mr. Speaker, I have a question for the Provincial Secretary for Resources Development concerning his statement earlier today on the movement of dangerous goods. Is he aware that the report of the Ontario select committee on the highway transportation of goods recognizes that once federal legislation on the transportation of dangerous substances is in place the province will have to react quickly?

Furthermore, is the minister aware that the Minister of Transportation and Communications of this province (Mr. Snow), in a letter to his federal counterpart in February 1977, recognizes that the province will have to enact complementary legislation to, in his words, "give uniform application to the federal regulations across Canada and with respect to all modes of transportation"?

If so, can the minister assure the House that the moment the federal legislation is in place there will be provincial legislation coming forth under the Ministry of Transportation and Communications to assure that the complementary legislation is in place in this province—preferably before the House adjourns if this is possible—so that Ontario citizens can be protected against dangerous goods being transported on Ontario highways?

Hon. Mr. Brunelle: Mr. Speaker, in my statement today I did indicate that in 1977 Bill 85, An Act to amend the Highway Traffic Act, was passed to make sure this legislation would complement the federal legislation if and when it would pass.

I believe this province has a good record and has co-operated fully. It was mentioned again in the statement in Regina. This was brought to the attention of the federal minister. So I believe everything has been done as far as the province is concerned.

Mr. Philip: By way of supplementary, if everything has been done then the recent statements by the Minister of Transportation and Communications seemed to be in conflict with this. Is the minister aware of the reports coming from within the trucking industry that in spite of the passage of Bill 89 in June of this year there are still unregulated carriers carrying dangerous goods on Ontario highways without authorization?

Can this minister, as the co-ordinating minister for the resource ministries, inform the House of what action he has taken in his capacity as a co-ordinator to co-ordinate enforcement by the Ministry of Transportation and Communications and the Ministry of the Environment in this regard?

Hon. Mr. Brunelle: Mr. Speaker, I'm sure the minister, as well as the ministry, is well aware of what the honourable member has said, but I'll be pleased to refer this to him.

MISSISSAUGA TRAIN FIRE

Mr. Kennedy: I have a question of the Minister of the Environment. Would he comment briefly on the monitoring that's presently in place with respect to the impurities in the air in Mississauga; and could he give some indication if the freeing of the atmosphere from this toxic material, chlorine, will in fact be dependent on air currents and air movements to finally free the air of these impurities?

Hon. Mr. Parrott: Mr. Speaker, there are several factors that I think must be addressed in responding to that question. Yes, we are monitoring, and have been of course since the very early hours of it. Second, we will only feel confident that our monitoring system is totally in place when we can be assured that the rail car has been sealed off. We're confident that we're monitoring now, but I think we must extend that to a very wide area and will do so. It's important to get that car sealed off.

Having done that, then of course we will monitor, and particularly the pockets. As the member knows, it's a heavy gas and we must measure the low-lying ground. We have had an awful lot of measurements there to this point in time and all of them—and I underline that—have been in a very low range.

If a good deal of chlorine did go up at the time of the initial explosion I'm advised that that would spread in a radius and then come back down. The radius of that would be 100 kilometres.

[3:30]

We have measured those areas of highest impingement upon the environment and we believe that they are in such low range that they're one millionth of what might be a potential hazard. The degree of safety here is extremely high, and we are pleased to know that. It eventually comes back to ground level, and we are measuring it where we expect readings to be highest. Indeed, we have done that all through this piece, through measuring air currents, to try to put our equipment where the readings would be highest, so we could err on the side of safety. I can assure the member those readings have been extremely low on all occasions.

Members can be assured that we want to be unconditionally satisfied it is safe in that area before we agree to the return of residents.

Mr. McClellan: If I understood the Premier's statement correctly, something in the order of 30 or 40 per cent of the chlorine gas had escaped. This represents something in the order of 30 tons of chlorine gas. My question to the minister is how quickly does the Ministry of the Environment, or some authority, intend to give us more specific details of what happened to that enormous quantity of chlorine gas?

Hon. Mr. Parrott: We will be glad to supply as much detail as the member wants. In very general terms, as I understand the situation, if the vast amount of that tonnage went up in the initial early period it would do so at the same time there was an excessive amount of heat. This would give cause to believe the gas would rise to approximately 4,000 feet into the atmosphere.

It would start to disperse and spread out in that radius of 100 kilometres of which I spoke. Then because it is heavy, it would descend to ground level.

I don't know whether or not I have been able to make that clear to the member. It goes up and disperses over a very wide area. Then we measure where, scientifically, one would expect the greatest impingement on land. We have measured that and we find it is at the safety factor I mentioned. The readings were very low; on most occasions it was so low we were not able to get a reading.

I can give more specific details, but I am not sure that doesn't answer the honourable member's question.

WATER POLLUTION

Hon. Mr. Timbrell: Mr. Speaker, in answer to a question raised by the leader of the New Democratic Party on November 5, I am tabling today a report submitted to me last Friday by Dr. M. G. Fisher, medical officer of health for the Hastings and Prince Edward counties health unit.

The report deals in some detail with the history and current status of the arsenic situation related to private well water supplies and municipal water supplies, as well as the Moira River system. It outlines surveillance activities by the health unit and Ministry of the Environment staff.

I am pleased to report that the medical officer of health is satisfied, and has so advised me, that the present situation does not constitute a health hazard to the people of the area. I would assure the House, though, that ongoing surveillance will be maintained to ensure that the health of the community continues to be protected.

I am advised by my colleague, the Minister of the Environment (Mr. Parrott), that he intends to make a statement on Thursday

next on the environmental aspects of the question raised by the honourable member.

Mr. Cassidy: Supplementary, Mr. Speaker: I am pleased to have the assurance of the ministry, but can the minister say whether that assurance is based on extensive examination of the health of the people in the area who may be affected by the water, which has as much as 50 times the acceptable levels of arsenic because of seepage from these tailings? Have there been specific medical examinations of individuals, or is this just an assurance coming from the medical officer of health, based on general knowledge of the area?

Hon. Mr. Timbrell: I would invite the member first to read the report. I am sending to the health critics copies which they may share with their leaders and any other interested members of their parties.

Members will see in the report that the medical officer of health is satisfied no one is drinking the water. Based on that and continued surveillance and education of the public that they shouldn't draw their water from any of the Moira River system and other surveys done over recent years he gives me that assurance.

But I invite members to read the report. If they have any further questions at a later date I will be pleased to answer them, or if I don't have the answers to get the answers.

MINISTER'S COMMENT

Mr. Speaker: In connection with the alleged point of privilege raised earlier by the member for Oakwood (Mr. Grande) and the intervention by the member for Riverdale (Mr. Renwick) when he alleged an honourable minister had called someone a liar, or accused someone of lying, I have had an opportunity to check Hansard for last Friday, on page 4376, where the Minister of Education said, in part, "The matter has been investigated thoroughly, and the answer to the allegation is that it is entirely untrue."

The standing order says that one member shall not accuse another member of uttering a deliberate falsehood. This always causes the chair some difficulty when an honourable member says, "that is an untruth," which in effect can be interpreted as meaning that the honourable member lied.

I think it would clear up the whole situation if the Minister of Education would withdraw the word "untrue" and, given her verbal and oratorical agility, I think she could find a better way of expressing herself than by saying that a statement made by a member of this House is "entirely untrue." I will give the minister an opportunity.

Hon. Miss Stephenson: If the member will read my response, I think what I said was that the allegation was entirely untrue.

Mr. Speaker: That's right. The minister can play with words all she likes, it still has the same meaning. I'm asking the honourable minister to withdraw the word "untrue."

Hon. Miss Stephenson: It is factually incorrect.

Mr. Speaker: You do withdraw the allegation that it was an untruth?

Hon. Miss Stephenson: Mr. Speaker, if indeed a reasonable synonym for "untrue" is "factually incorrect," I shall withdraw "untrue."

Mr. Speaker: Thank you very much.

PETITION

MINISTRY OF NATURAL RESOURCES REPORT

Mr. Foulds: Pursuant to standing order 33(b) of the Legislative Assembly, I have in my hand a petition signed by 20 members of the assembly, petitioning that the annual report of the Ministry of Natural Resources for the fiscal year ending March 31, 1979, tabled October 11, 1979, be referred to the standing committee on resources development for such consideration of the report as the committee may determine.

MOTION

COMMITTEE MEETING

Hon. Mr. Wells moved that the select committee on Ontario Hydro affairs be authorized to meet on Thursday, November 15.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I would like to table the answers to questions, 316, 327, 330, 331, 332, 334, 35, 338, 340 and 341 on the Notice Paper. (See appendix, page 4433.)

ORDERS OF THE DAY

COUNTY OF NORTHUMBERLAND ACT

Mr. Rowe moved second reading of Bill Pr7, An Act respecting the County of Northumberland.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF HAMILTON ACT

Mr. Charlton, on behalf of Mr. Mackenzie, moved second reading of Bill

Pr8, An Act respecting the City of Hamilton.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF HAMILTON ACT

Mr. Isaacs, on behalf of Mr. Mackenzie, moved second reading of Bill Pr10, An Act respecting the City of Hamilton.

Motion agreed to.

Third reading also agreed to on motion.

DINORWIC METIS CORPORATION ACT

Mr. G. Taylor, on behalf of Mr. Hennessy, moved second reading of Bill Pr17, An Act to revive the Dinorwic Metis Corporation.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF CORNWALL ACT

Mr. Samis moved second reading of Bill Pr19, An Act respecting the City of Cornwall.

Motion agreed to.

Third reading also agreed to on motion.

COUNTY OF SIMCOE ACT

Mr. G. Taylor moved second reading of Bill Pr22, An Act respecting the County of Simcoe.

Motion agreed to.

Third reading also agreed to on motion.

HONING CORPORATION LIMITED ACT

Mr. Cunningham moved second reading of Bill Pr23, An Act to revive the Honing Corporation Limited.

Motion agreed to.

Third reading also agreed to on motion.

CO-OPERATORS LIFE INSURANCE ASSOCIATION ACT

Mr. G. Taylor, on behalf of Mr. Lane, moved second reading of Bill Pr24, An Act respecting Co-operators Life Insurance Association.

Motion agreed to.

Third reading also agreed to on motion.

SMITH BROTHERS JEWELLERS, LIMITED ACT

Mr. Sterling moved second reading of Bill Pr26, An Act to revive Smith Brothers Jewellers, Limited.

Motion agreed to.

Third reading also agreed to on motion.

ASSUMPTION CHURCH CEMETERY ACT

Mr. Bounsall moved second reading of Bill Pr29, An Act respecting the Assumption Church Cemetery.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF TORONTO ACT

Mr. Renwick: Mr. Speaker, a point of order: My point of order is that as the minister has called all of the orders of business on private bills except Bill Pr5 standing in my name, an Act respecting the City of Toronto, and as that bill was reported to the assembly by the standing committee on the administration of justice under the chairmanship of my colleague the member for Etobicoke (Mr. Philip), would the minister please advise the House why it is now an exception and why that bill has not been called for second reading?

Hon. Mr. Wells: Mr. Speaker, I would be happy to tell my friend the member for Riverdale. There is a section in Bill Pr5 which would provide for the licensing of group homes. This section has been under discussion and negotiation between various ministries of this government and the city of Toronto.

There has been some question as to the type of licensing arrangement provided for in this bill and whether, in fact, it isn't duplicating what is going to be done provincially. Also, in the Municipal Act amendments which have been introduced, there is provision for a piece of general legislation to allow for registration of group homes if municipalities wish to do so. Because of these negotiations and discussions, we haven't proceeded with this bill.

We are hoping that some changes in the bill can be considered by the House before it is finally passed; I will keep my friend informed as these discussions go on.

Mr. Renwick: On my point of order, my concern is that the standing committee on the administration of justice gave consideration to this bill; the ministry was represented by the parliamentary assistant to the Minister of Intergovernmental Affairs; all of the arguments put forward by the ministry were considered by that committee at the time the section was put and the section was put and passed. Undoubtedly there is a precedent somewhere that will defeat my point of order, but is it in order for the government, having gone through the equivalent of the private bills committee, the standing committee on the administration of justice, and having been given full opportunity to present its position

to the committee, and then, the committee having passed the bill and having reported it to the House, to not call that bill?

Mr. Speaker: As the member for Riverdale knows, it is the responsibility of the government House leader to order the business of the House.

Mr. Breithaupt: Mr. Speaker, may I speak with respect to that point of order, only to inquire of the government House leader whether he can assure the House that, perhaps by December 1, he will be able to advise us as to progress in other legislation concerning group homes? If that is the case, then the bill can be referred back to committee for presentation again to the House in time that its other provisions would not be lost before the expected termination of the session in mid-December.

Hon. Mr. Wells: I am happy to inform my friend that it certainly is our intention to proceed with and pass Bill 173, the amendments to the Municipal Act, which contains the general legislation, and to deal with the city of Toronto concerning its private bill and suggest some remedies to this House so that bill can be passed before we prorogue.

House in committee of the whole.

CROWN TIMBER AMENDMENT ACT

(continued)

Resumption of the adjourned consideration of Bill 77, An Act to amend the Crown Timber Act.

Mr. Chairman: Sections 1 to 4 have been carried and I believe the member for Sudbury East was speaking to section 5.

On section 5:

Mr. Martel: Yes, Mr. Chairman, thank you. I want to indicate at the beginning that last week—

Hon. Mr. Auld: I wonder if I could interrupt, Mr. Chairman. I think I indicated I would try to cover a number of the matters that had come up to section 4. Having touched on section 5, I wonder if this would be a good time to do so, or shall I—

Mr. Martel: Wait; I have an appointment with your colleague, the Minister of the Environment (Mr. Parrott), at four o'clock.

I want to indicate that I was somewhat surprised at the bill. You will note last week, Mr. Chairman, I asked the minister where the promise of the Premier (Mr. Davis) was in this bill. You will remember the Bramalea charter. The minister leaped to his feet and brushed that aside. I have confidence in our Premier, though maybe those people over there don't. When he says something I take that as gospel. Let me remind you what my friend, the Premier, said on that great night when he brought out this great charter.

Hon. Mr. Gregory: Do you have it?

Mr. Martel: I've got the charter, I want to tell you.

Hon. Mr. Gregory: Where have you been keeping it?

Mr. Martel: I keep it pinned on the wall for such an occasion as today. I only hope you will show as much confidence in the Premier as I am about to do. If one looks down the charter, it says, "A commitment to replacing at least two trees for every one harvested henceforth in Ontario and to regenerating every acre harvested."

Mr. Germa: That's two for one.

Mr. Martel: That's two for one, and that means every acre in the province. When the Premier tells me that, I am so taken by it that I want to know if it is in the bill; and of course it is not.

Mr. Germa: That's not in the bill? It can't be.

Mr. Martel: It's not in the bill. To rectify the problem, I want to move an amendment. In keeping with what the Premier said, in respect to section 5 I want to move an amendment.

Mr. Chairman: Mr. Martel moves that section 5a(1) of the bill be amended by inserting after the word "agreement" in the sixth line: "shall provide for the yield to be sustained on the basis that at least two trees are planted for every tree cut under the agreement and to regenerating every acre harvested."

Mr. Roy: The Premier would be proud of you.

Mr. Martel: He would be proud of me, don't you think? After looking at the Bramalea charter, that great night two years ago when the Premier made this commitment to Ontario, I can't see how anyone on that side of the House could even suggest that is not an appropriate amendment for this piece of legislation.

Mr. Roy: That's right.

Mr. Martel: Therefore, I have no choice but to move it to enshrine the Premier's words in a piece of legislation.

Mr. Roy: I am sure that was intended but just forgotten.

Mr. Martel: Yes, just an oversight, that's what I felt. It was just an oversight and I want to make sure that oversight is eliminated, therefore I have moved that amendment before I leave for my appointment

with the Minister of the Environment. I leave that amendment and I will read with interest the minister's comments with respect to that amendment.

I can't see how you could even attempt to weasel out of it. I hope you wouldn't because I would be awfully embarrassed, standing in my place tonight as one of those supporting this amendment, and having to force the Premier to vote against his own words, or his colleagues for that matter, because then that would show little faith in the Premier.

Hon. Mr. Auld: Perish the thought.

Mr. Martel: Perish the thought, you say. I am glad it is going to go through. You can call this the Martel-Davis amendment.

Unfortunately, I can't stay around because I have a four o'clock appointment, but I will read the discussion with interest and I will be back for the vote.

Hon. Mr. Auld: Mr. Chairman, I would like to comment very briefly. Actually the whole purpose of section 5 is to produce sustained yields, but I am not sure the honourable member is aware there are a number of ways of regenerating.

Mr. Wildman: Was Davis aware of that?

Hon. Mr. Auld: There is natural regeneration. When man does it, I am informed that we would usually plant between 20,000 and 30,000 seeds per acre; we would usually plant between 1,000 and 1,200 seedlings per acre and the sustained yield we would expect to be somewhere between 150 and 200. On that basis and doing some fast arithmetic, the Brampton charter is very modest in a technical sense.

Mr. Martel: Then you should accept the amendment.

Hon. Mr. Auld: It certainly could not be accepted because we might downgrade our program and reduce regeneration.

Mr. T. P. Reid: Mr. Chairman, are we restricted now to speaking on the amendment? Or are we back on section 5?

Mr. Chairman: We should discuss the amendment; it is before the committee right now.

Mr. Foulds: Mr. Chairman, I must confess to a certain embarrassment. I am embarrassed for the Premier of this province and I am embarrassed for the Ministry of Natural Resources officials. I am embarrassed that the Premier could have made such a promise back in 1977.

Mr. Haggerty: That was an election promise.

Mr. Foulds: I am even more embarrassed he would put such a promise in writing. I am embarrassed for the Minister of Natural Resources, who today has to defend an indefensible position. As my colleague the member for Sudbury East points out the words were quite exact; there was no talk about a sensible plan for regeneration, there was no recognition that silviculture is an important and sensitive matter in the forests.

Back in 1977 it was reducing to political sloganeering perhaps one of the most important matters facing this province in one of its most important industries. The words were exact: a commitment to replacing at least two trees for every one harvested henceforth in Ontario and to regenerating every acre harvested. The wording was quite clever. It mentions nothing about the backlog that needs to be regenerated. It does not speak to the decades in which we have not adequately undertaken reforestation, regeneration, silvicultural programs.

I recognize that the fault is not entirely with the ministry, I recognize that before the ministry took over the responsibility the record was even worse; but the Premier's commitment on behalf of the Progressive Conservative government of Ontario, which was I assume solemnly undertaken, was to regenerate every acre harvested. Even that has not happened.

Mr. Haggerty: Not very progressive.

Mr. Foulds: That part of the promise has to make some sense. I think my colleague, the member for Sudbury East, in his own inimitable way has stumbled upon a fundamental truth, a truth that was not present in the election campaign of 1977. In his own inimitable style, my friend and colleague, the member for Sudbury East has brought before this committee in this Legislature a reminder, a very vivid reminder, of a promise not kept.

[4:00]

Mr. T. P. Reid: It's called the Joe Clark syndrome.

Mr. Foulds: I think it is important, if we are not to debase political life in this province, and if we are not to debase fundamental matters of importance such as reforestation, that illegitimate commitments such as the one made by the Premier in 1977 should not be undertaken in a spirit of public relations in an attempt to reduce a fundamental issue to the lowest common denominator. Therefore, I would hope that the government would accept the amendment my colleague has proposed and at least make a few acts of contrition and a few acts of repentance. Maybe, just maybe, they will undertake the kind of overall reforestation and regeneration pro-

gram that is necessary and not merely make glib promises on a platform in Brampton or Bramalea, or wherever it was, where one could hear over the radio tape the gasp of the Minister of Natural Resources of the time as he heard that particular commitment enunciated. One could hear, yea even so far as northwestern Ontario, one could hear out on the hustings, the gasp of despair running through the Ministry of Natural Resources.

One would hope this amendment will bring some reality and sanity to the debate on the issue. One would hope we will have no more promises that cannot be kept and that we would not have, as we had in the charter for Ontario, foolish commitments like the one made by the Premier.

Mr. T. P. Reid: Mr. Chairman, as you know I covered the Brampton charter in my opening remarks and the Premier's promise of "two for one." I was speculating, as I listened to my friend speak on the amendment, as to when I first raised this. I went back to Hansard, Mr. Chairman, of 12 years ago, when I was a new member in this Legislature and I was doing the estimates of the then Department of Lands and Forests. At that time we had a backlog of unregenerated forest land in the province of Ontario. In those days we couldn't get any accurate information from the ministry. Whether or not they had it, I don't know, but certainly I was always told by the Department of Lands and Forests that any statistics that I endeavoured to use were not accurate but they would never tell me what the real figures were. Now it seems to be conventional wisdom, if not the truth, that there are at least 100,000 acres a year that aren't being regenerated, so that in my 12 years in the Legislature we have well over a million acres that haven't been touched as far as regeneration is concerned.

I have a certain sympathy for the amendment, Mr. Chairman. As you know I did mention it myself in my opening remarks. Whether or not it's an empty, frivolous gesture I don't know. I don't know if we should be playing games with this very important issue.

I think it does serve to underline the fact that in the past both the companies, and particularly the Ministry of Natural Resources, the former Department of Lands and Forests—which I really shouldn't blame, because obviously it has been those great managers of the province of Ontario, the great managers of Ontario's resources, the Conservative government and the Conservative cabinet and the Bill Davis government, which has neglected this extremely important renewable resource.

I am not going to state what we are going to do on this amendment. As I say I feel it is important in underlining the problem. It is obviously not a practical amendment, but what I would ask the minister, before we continue on in the other sections of the bill, is if he has some comments to make as to the commitment of the province on regeneration.

I think, as was pointed out, he owes it to the Legislature and the people of Ontario, particularly in view of past history, to make a fairly extensive statement in regard to the amendments to the Crown Timber Act. I wonder if I might ask him at this time to do so.

Hon. Mr. Auld: My thanks to the member for Rainy River. If I may sum up very briefly—and it is mainly contained, of course, in section 5, other sections of the bill as I mentioned before are primarily housekeeping —the main purpose is to pull together all the matters relating to forest management on large company licences in one comprehensive document. I believe this will provide a more meaningful integration of harvesting and regeneration and the necessary planning.

Let me emphasize that the agreement is a contractual document that provides for more effective administration of forest management by the ministry on company areas. In particular, the ground rules of the agreement give the prescriptions, the related standards and the timing of all silvicultural practices, harvesting and regeneration included. This is a new development that is related to these agreements.

As I mentioned previously, the term of an agreement is for 20 years, and at five-year intervals, that is every five years, the annual allowable cut and the company's performance are reviewed. Nevertheless the yearly activities, such as site preparation, regeneration and so on, are subject to auditing as they occur.

I would emphasize these activities must conform to the prescriptions and standards set out in the agreement before payment of invoices. In other words, the company does not receive any payment under our schedule until it has actually carried out the work, thus there is an immediate control each year.

As we discussed the other day, when a company has not performed the required activity the ministry will ensure the regeneration is undertaken and charge the company the full cost of so doing. Those costs may well be more than the cost to the com-

pany had the company done it as part of the larger project.

The prime concern is to ensure our forest lands are regenerated and kept productive; by signing an agreement the company is undertaking to do just that.

Initially the implementation of the agreement will evolve. I have made it clear several times that although perhaps only three companies will be involved in the first year, within five years all the pulp and paper companies will be taking part. I think actually there would be more than three companies who are prepared to sign at the present time.

Mr. T. P. Reid: Do you have a commitment to that?

Hon. Mr. Auld: I think it is fair to say there are not written commitments from the roughly 11 or 12 pulp and paper companies, but we have firm commitments from at least three, perhaps more; and about three, or perhaps four, is all we feel we can undertake in the first year.

A key element of the agreement which does not exist under the present licence system in the act is the provision for the treatment of backlog, which both the honourable members have mentioned, what we call NSR or not satisfactorily regenerated land. Under these agreements a company would now be required to treat these NSR acreages at a rate of five per cent per year for a period of 20 years.

As regards penalties and incentives, I would emphasize the bill places emphasis on sustained yield and a focus on the annual allowable cut at the five-year review. The recalculation of the annual allowable cut each five years is new. It provides for greater control by the ministry and also reflects the annual changes from depletion and additions to the forests. For example, if a company overcuts its annual allowable, it must at its own cost, regenerate those lands so cut. If on the other hand it doesn't cut all the AAC, the company must pay to the ministry damages equal to the stumpage of the uncut wood.

While these might be viewed as disincentives, the agreement provides an incentive if the company increases forest productivity or growth. Thus, if a company at its own sole cost undertakes silvicultural practices which increase growth—such as precommercial thinning, fertilization, et cetera—the increase in wood attributable to the treatment is available at one-tenth of the normal stumpage. This last was not provided for in the existing act.

The development of roads is vital to forest management. Although the authority to enter into an agreement for roads exists under the Public Lands Act, an incentive for a company to undertake forest management responsibilities is the provision of support in developing a road system.

One of the major problems the ministry has in its own regeneration program is related to the planning and rate of road building as it affects silvicultural treatment. Therefore the agreement provides for appropriate payments to a company to develop the road system, which will provide for general public access.

I believe all parties have available to them copies of the final draft agreement. It was developed following very lengthy discussions with members of the forest industry, as well as our own staff. The industry, for the most part, has given clear indication it realizes the necessity to integrate and improve our steps in forest management in Ontario.

Some concern has been expressed about wasteful practices and how agreements would be affected. Present regulations concerning wasteful practices will apply to an agreement area as to one under licence. One of the most probable results of having a company do the regeneration following harvesting will be to have improved utilization. Excessive slash and stump heights are two of the problems frequently encountered by our own staff when undertaking regeneration. I feel sure the companies will quickly see the benefits of minimizing slash.

Section 5 states: "The purpose of the forest management agreement is management on a sustained yield basis." Some parts of the cut-over will be occupied by permanent roads and landings. I'm told this averages about 10 per cent to 15 per cent. In other words, 10 per cent to 15 per cent of the acreage, once the forest is managed on a sustained yield basis, will be lost to fibre production because it will be used for roads and landings.

This means sustained yield requires that productivity on the remaining productive areas be at a higher level than the natural forest. I mentioned very briefly before the member for Sudbury East had to leave some of the problems which his motion produces.

[4:15]

Mr. M. N. Davison: It is not his motion.

Mr. Wildman: It was the Premier's idea.

Mr. M. N. Davison: It was the Premier's promise.

Hon. Mr. Auld: At the present time, I think it is fair to say, more than two trees for one are now being planted and will be

planted in the future under forest management agreements in those areas where natural regeneration is not taking place or is not sufficient.

I hope that clarifies some of the matters we were touching on a week ago. We will deal with further questions about the remaining parts of section 5, if there are any, as we go along.

Mr. T. P. Reid: Mr. Chairman, I don't want to repeat, any more than anybody else wants to listen to it, everything I said last week. I am still a little confused, regardless of various conversations and everything else, as to why we are going through what seems to me almost an elaborate charade. If it weren't for specific people who were involved in this, I would think it was another charade like the Brampton charter, another smokescreen or little sideshow the government was putting on to indicate things are happening in the forest industry that in fact are not.

I look at section 25(4) of the Crown Timber Act, which says, "The minister may enter into an agreement with a licensee for the promotion and maintenance of the productivity of the licensed area." I repeat I just wonder why we have to have section 5 all over again. I know we want the whole thing to be in a cycle and we want it to follow logically and so on, but I wonder whether what we are doing here is an absolute necessity when what we really want to accomplish is to see the work being done.

That brings me to three practical matters I want to ask the minister to respond to with regard to section 5. The first is that sections 5 and 25(4), regardless of which one we look at, provide that the minister may enter into an agreement. The minister says he has three firms which have indicated they are going to accept this provision, respond to it and take over the responsibility. The minister has indicated that within a five or six-year period all 12 or 13 of the largest companies are going to do that.

Hon. Mr. Auld: May I just interrupt for a moment? I was confused last week. The honourable member is referring to section 5 of the bill and section 25 of the agreement or of the Crown Timber Act?

Mr. T. P. Reid: Section 25 of the Crown Timber Act.

The minister has indicated that within a few years all of the companies will be accepting the responsibility for doing regeneration in the province. I must say the draft agreement provides certain healthy incentives for them to do so. One of my concerns, which I have expressed to the minister, is there aren't many disincentives as far as I am concerned if they don't carry out the work they have agreed to do.

The minister and his legal advisers have indicated that under the act and with an agreement the government can recover the costs. If the company does not do the regeneration, the ministry will move in and contract the work out or do it itself. The work will be done and the cost charged back to the company that didn't do it.

As I understand the situation now, the Ministry of Natural Resources has to go in and do the work before it can claim liability against the company. A very practical question arises, one of three which I put to the minister: if the company doesn't do the work, what guarantee do we have that the ministry will have that work done? The minister, I am sure, will pardon my scepticism, because over the last 17 years, obviously, the ministry hasn't done the regeneration work required. We are looking at a very real, practical problem.

What incentives are there for the companies to make these agreements, other than some of the financial incentives that are in the agreement? What happens if they don't agree, if they decide they don't want any part of this? For instance, what if Great Lakes decides or what if Boise Cascade or Abitibi decide they're going to leave the responsibility for regeneration in the province up to the ministry? Of course that would be foolhardy, because they did an even worse job than the companies did previously to 1962, but what are we going to do?

Are we going to have a patchwork or a quiltwork across the province of Ontario, where a company does it in one area and the ministry does it in the next? It's a practical concern.

The practical concern is that as this phases in the ministry phases out, and then if the company doesn't do the work where is the ministry going to get the equipment, the people, the bodies to actually do the physical work necessary in regeneration? I think the minister would agree that this is a very difficult point, because there aren't that many people skilled in the work or that many people around who are willing to do that kind of work, because it is hard, back-breaking work and the pay is very poor. Those are a couple of the real, practical problems as I see them.

The third one, to my mind, is even more important than the foregoing two. That is, as I understand it, the ministry is going to provide the seedlings and the money for roads, et cetera—all these good things—and

they're going to pay the company for doing the regeneration work.

But one of the continuing problems since the ministry has been responsible for regeneration, has been the fact there have not been sufficient funds available to carry out a complete and comprehensive regeneration program in the province.

The Brampton charter of the Premier that we've heard so much about today was just a great idea, I think it even bamboozled some people during that election, as it was intended to do; but where were the necessary funds to put that program into place if it wasn't anything more than a charade and a con game aimed at the people of the province during that election? What guarantee do we have, as a Legislature, that the funds are going to be made available to pay for this program, whether it's the companies, all 12 or 13 of them, or whether it's the companies in concert with the ministry doing part of the work? Obviously, and we've heard no commitment from the minister today or last week, we in this Legislature vote funds on an annual basis. Mind you, we often vote them after they've already been spent, but that's a different story. However, what kind of commitment can the minister give that the funds are going to be available for this program, and that they're going to be available in sufficient amounts to carry out both the regeneration on a sustained yield basis and to pick up the backlog of five per cent a year across the province, which is a fair chunk. If there is roughly $1.5 billion in 12 years, there's got to be at least another $1.5 million backlog before that, if not more. You're looking at a very expensive program; yet what have we seen or what have we heard that we should be convinced it's going to be done?

I said there were three practical aspects, there are four actually; the other one I've touched upon but I want to put it to the minister again.

In the draft plan there are certain incentives to the companies to do the work required under the agreement with the ministry, certain incentives such as that the seedlings will be provided by the ministry, there will be money for forest roads, there will be all kinds of assistance, financial and otherwise.

There is also the incentive that if they improve the backlog, or the not satisfactorily regenerated lands, they will be entitled to a reduced stumpage charge on them. There is also the incentive that if they don't do it on a sustained yield basis then their licence will be changed and they will lose part of their allowable cut because they haven't provided sufficient regeneration. There, to me, is where the rub comes in. Simply put, in very practical terms, if a company does not do the regeneration it can still take the ministry to court, regardless of what it says in the draft agreement, and if the cost is too large it surely will.

Secondly, the other arrow in the minister's quiver is that he can do something to the licence. He can either revoke it under the Crown Timber Act, under the present legislation, or he can cut down on their allowable cut.

Mr. Wildman: Did the ministry ever do that?

Mr. T. P. Reid: No, not that I know of.

I'll give a very personal example. I have two mills in my riding. If the ministry came along in 10 years and said, "You haven't been providing proper regeneration, we're going to cut back your allowable cut," this would mean two things.

Mr. Wildman: No jobs.

Mr. T. P. Reid: Obviously. Their production falls and people are laid off. There are people out of work. Does that make sense? Why should the workers suffer because the company hasn't done the regeneration job that it should have done? I think it's obvious that is never going to be used. It never has been in the past. The threat to cancel the licence totally, of course, is ridiculous, because you're not going to put everybody out of work; you're not going to cut down on their allowable cut because you're going to put people out of work. I'd be the first one to say to the minister, "Look, you have put people out of a job and it's not their fault, it's the company's fault."

The point of all of this, in case anybody has missed it, is simply that there has to be more of a disincentive, to my mind, to ensure the proper amount of regeneration is done. I suggest to the minister—and I won't go over all the arguments we had last week about the liability and so on—that he requires another arrow in that quiver of his, another method of disincentive so that if the regeneration is not done it will hit the companies where it will hurt the most, which is in their pocketbooks. On top of the liabilities that are covered—and I must say as a lawyer I'm perhaps not as articulate about that as I should be—again it was my understanding that clause in the agreement ensured that the ministry would have no trouble getting the money out of the company, because under the agreement the company would have to pay it automatically. Now I understand the

company can take the matter to court if the cost is high enough to warrant it, so there aren't any automatic provisions for the ministry to get its money.

While I can understand why the liquidated damages clause in section 20 of the agreement is there, as far as I can see it is not going to provide a sufficient disincentive to the company if it decides it's not going to do it. I'll recall to your mind that the Ministry of Natural Resources has to do the work before those liquidated liabilities are paid and the ministry, as I've already pointed out, may very well not have the funds available. It's fine to say if we're going to get it back automatically from the company we can borrow the money to do it, but the company may very well, as I understand it now, take you to court. Those things, as we know, can go on for some time. I suggest that the disincentive has to be sufficiently heavy so the work will be done.

[4:30]

I wonder if the minister could address himself to some of those very practical aspects flowing from section 5 of the amendment.

Hon. Mr. Auld: Let me deal first with the last point the member for Rainy River raised. That is, the provision that the ministry may do the work and would do the work if the company didn't, but that we would have problems in collecting from the company if the sum were large.

The advice I have is that because of the two definitive documents, the management plan and the other manual—in other words, the detailed requirements set out in the agreement, which is a legal document—if these matters are not done then while it may require going to court to do so there would probably be an early hearing by the court of competent jurisdiction. Because the matter is spelled out clearly in manuals, which are part of the document, the company's likelihood of not being found liable is very slim indeed.

That is the reason for the detailed descriptions which would affect the acreage which has to be regenerated by the company. In the event of delay by the company, the ministry will move right in.

Going back to the beginning and the motion of the member for Sudbury East, his motion says, "for every tree cut under the agreement and the regenerating of every acre harvested." As I mentioned, in those areas of, in effect, first cut, there will be acres which will not be regenerated because they are required for permanent roads and so on, for the planting that will take place and for the future silvicultural treatment of the area, perhaps thinning of the new growth and for its sustained yield in cutting and planting in the future.

The second point is, and I am not a forester of course, there are areas which have been cut which we don't consider have to be satisfactorily regenerated because they are not the kind of areas which can be economically harvested in perpetuity. I see the member for Rainy River is nodding and aware of that.

The question really is: what are the disincentives, how effective are they and how effective are the incentives? In my opinion the incentive of a 90 per cent cut in stumpage for additional yield per acre is a very strong incentive. But perhaps the strongest incentive is the five-year review. If the five-year review is not satisfactory, this means that the allowable annual cut is only going to last for, say, another 15 years.

The company has a very large investment in its own plant and operation. One of its concerns and one of the foundations of this type of an agreement, an evergreen agreement, is that a company or companies have to look down the road a long way in terms of their timber resources for the future—certainly the investors do and I would say that the company must. If they are not doing an effective job and they find they only have a 15-year agreement, for instance, and then a 10-year agreement, in my opinion there would be an awful lot of activity with perhaps some change in the forestry staff to get back on track and to meet the requirements of the agreement, of the prescriptions which are in it, the detailed silvicultural treatment and so on that are involved.

It is really not a question, as the honourable member expressed his concern about, of suddenly saying, "Sorry, fellows, you are out of business tomorrow." Because of their own records they have a year-to-year record of how they are going in terms of regeneration. They know the terms of the agreement, so when they start off they have 20 years and if they keep up to the standards and meet the targets they always have 20 years ahead of them. If they start falling behind, the years ahead drop back and they are going to have to try a lot harder or they know, and everybody will know, they are going to be in trouble down the road.

I might say I have been emphasizing to the companies—and I think I have met representatives of all of them—that the agreements at the moment are optional, but they will be mandatory as we are able to estab-

lish agreements with each company. Establishing agreements with each company is not just a matter of getting them in the office to sign. All the prescriptions, the work that has to be done, I suppose the studies and the inventories of their own woodlands, the areas which we license to them, have to be worked out. The prescriptions are not the same in every case, of course.

Again my own feeling, not as a forester but as somebody who has seen a lot of new schemes tried, is that we don't want to have agreements with everybody. My guess is that we may find there are some things we should add or some things we should change in the form of agreement that is before the members today, perhaps in a year or two.

If that is the case the House of course will be aware of it. I suspect we will learn a little as we go along, but in a few years every company operating in this field in Ontario will be required to be under an agreement.

Just one technical matter: the honourable member was asking why section 25(4) in the present act was being rescinded from its present position and, in effect, being re-enacted under section 5. I am told that is legal housekeeping to make it very clear that the provision applies to the agreements that are complicated under–

Mr. T. P. Reid: They are complicated.

Hon. Mr. Auld: –they are contemplated; that was a Freudian slip–contemplated under section 5(a) of the bill which is before us.

In terms of funds, the amounts that are presently approved by management board over the current year and the following four years, and these are in 1979 dollars for this year, as I mentioned, $4.3 million; for 1980-81, $14.3 million; for 1981-82, $17.3 million and the same amount for 1983-84. That's a total of $70.5 million, which I think indicates a long-term commitment and, in fact, it was made clear and the government is quite aware that once we get into this program we are going to be in it, or something like it, for certainly the foreseeable future.

Mr. T. P. Reid: If I could just clarify one point and ask one further question if I may.

On the liquidated damages business; am I right in assuming that the ministry has to do the work before the liquidated damages can be claimed for? Would it not be a better arrangement, perhaps because of the practical limitations of manpower, both of ministry staff and people available to do the work, if the agreement said, "If you don't do the work, you are going to have to pay X number of dollars under the guidelines or the actual cost, if we have to do it"; one or the other–but put a sort of bottom-line figure there, as an incentive?

If for some reason–the minister might recall this line–there is a heavy fire season and there are no people to do the work, why not have as part of the agreement that X number of dollars will be paid for the regeneration, whether or not it is done? Take out that part which I understand is in there; the fact that if the ministry has to do it first before it can claim for the liquidated damages. Again, that may be some legal nicety that I don't understand.

Hon. Mr. Auld: First of all, the purpose of the exercise is to get the regeneration done, not to sort of collect penalties. My understanding of liquidated damages is that the word "liquidated" means established. In any action for damages, it is incumbent upon the plaintiff to show within fairly close figures exactly what those damages are.

For instance, the damages might include, if there were a delay, some loss of merchantable timber somewhere down the road because is was a year or two late in maturing. That could be part of such damages but the main amount would be the cost of the equipment, the people and the material used to do the work that was left undone under the agreement by the defendant, the company.

I am informed by our expert that paragraph 20 of section 4 of the agreement is the part that spells it out as far as the two parties to the agreement are concerned. Subsection 4 of paragraph 20 of the agreement says, "Where the company fails to regenerate forests under subparagraph 3, the company agrees to then pay to the minister an amount of money equal to the costs of regenerating such area at the rates referred to in schedule D for the treatments that in the opinion of the minister, have to be applied to such areas."

Translated, I think that means that one has to do the work so they have the bill to show what the costs are. Is that it? I am wrong. I was 180 degrees out. They have to pay the amount shown in the estimate, so they don't have to do the work and that answers the honourable member's question and I am a little clearer myself.

Mr. T. P. Reid: One further question if I may and then I will let my friends who are chomping at the bit have a chance.

Hon. Mr. Auld: I've lost all hope of ever getting a QC.

[4:45]

Mr. T. P. Reid: Does the minister contemplate or can we have his assurance that

after the program starts in the annual report of the Ministry of Natural Resources there will be a schedule, if you like, but certainly a survey of all the companies under these agreements and how well they are living up to their agreement?

Hon. Mr. Auld: I am informed yes.

Mr. Wildman: I want to move back specifically to deal with the amendment introduced by my colleague from Sudbury East. Some might consider it a little frivolous for the member to have introduced this amendment to this bill at this time. I think some of the members of the House, including the minister, looked at it that way. If that is the case then what they are saying is that the statements by the Premier in the Brampton charter were in themselves frivolous.

The minister keeps referring to the motion by the member for Sudbury East as if it was something that had come out of the blue today. The member for Sudbury East simply learned from the Premier of this province that this was what we were supposed to be attempting; that this was the commitment to be made by the provincial government in terms of regeneration. Yes, he indeed believed the Premier that that was what the Premier was going to bring in.

In introducing this amendment, I think the member for Sudbury East quite rightly has focused the attention of this debate—or should have focused the attention of this debate—on the way this provincial government has for years treated resource development and management in this province.

Frankly, Mr. Chairman, I never did believe that this was a commitment by the Premier. I am not as trusting as my colleague from Sudbury East. I never really did believe he meant it. As a matter of fact, I thought it was just plain, crass, political manoeuvering by the Premier; just trying to get votes.

Maybe I was wrong. Today we will have the opportunity of finding out whether or not this government really believes in two for one. If they do, when this comes to a division they will vote for the amendment. If they don't believe in it, then why don't they say so before the division?

Why doesn't the minister get up here and repudiate the statement of the Premier if indeed they don't believe in it? If they do accept it, why doesn't he get up and say, "Yes, fine, we accept it"? Now, I know the minister did get up and list the numbers of seeds planted per acre, and so on. He said that in many cases this amendment might produce more than two for one.

Well, if that's the case, then this amendment is quite acceptable and the minister will accept it. If it isn't, however; if it is impractical; if it is a statement made in complete ignorance of forest management procedures, then the minister should get up and say so. He should say that what is important is not any number like two for one, or one for one, or five for one, or whatever, but how many trees are growing in an area that has been cut over five years after it has been cut over and the regeneration practices have been put into effect if that is the position of the government now, rather than the position taken during the 1977 election.

Frankly, I hope it is the position of the government now. I hope they don't simply stick with a certain number as being the way of talking about the forest management practices in this province.

We might be accused, I think, of playing games with this issue. But we are not. What we are attempting here is to get a clear statement from the minister as to what he believes about the statement made by his leader in the last election campaign. Was it a half truth, was it a statement made in error, or was it indeed the policy his ministry believes this government should be following? That's what we want. In moving this amendment, we want a clear statement from the government as to whether or not they accept the Premier's statement made in 1977.

The statement has been made that this is not a particularly practical amendment. If it is not a practical amendment, it wasn't a practical statement in 1977 either, I suppose. That's what we want. We want the government to come clean. We want the minister to tell us exactly what he intends in this bill. What does he intend by sustained yield? Does any number like two for one have any relevance to the term "sustained yield"? Does any number at all have relevance to sustained yield?

If the statement made by the Premier was indeed a statement made in ignorance of real practical forest management practices, let's say so now.

I, for one, would not be prepared to force a vote on this amendment. If the minister were to get up and say, "Look, two for one was a mistake; we shouldn't have said that. The Premier was wrong; he didn't know what he was talking about," okay, that's fine. We would then withdraw this amendment because it would be ridiculous for us to force an amendment on a government following the Premier when the Premier didn't know what he was talking about.

If, however, the minister wants to maintain his position that two for one is practical and that this amendment can be met by the bill, then fine, incorporate it in the bill. It is just expanding and interpreting what you mean by sustained yield.

From my point of view, with the small amount of knowledge I have about the forest industry, the whole statement of two for one made by the Premier appeared to be intellectually shallow at the time it was made. I don't really know what two for one means. That is something I would like the minister to let us know, too. What does it mean? If he believes in it or if he accepts it, what does it mean?

I want to know specifically, in dealing with this amendment, whether or not it should be brought to a vote, what this ministry believes by the term "sustained yield" and how one achieves it. Involved with that is the most important question we have to answer today: what does the minister believe is going to be done with the tremendous backlog we have in terms of regeneration?

Over the last many years about a third of the cut-over area has been left barren. One third is supposed to regenerate itself; another third, approximately, has been regenerated. Those are the figures we have been given. What is going to be done about that one third where nothing is done?

I will accept the statement by the minister that in some of those areas it isn't practical to do much because they aren't really going to provide a long-term, ongoing, productive forest. But he can't convince me that fully one third of the cut-over area is that kind of forest land.

I want to know what is going to happen with that backlog. When you say "sustained yield," does it have any relevance to that backlog? If so, what, and who pays, and who does the work?

It may be too much to ask this minister to make a clear statement but I would like him to say whether or not he accepts two for one. Does it have any meaning at all? How does it relate to sustained yield? If it doesn't, and he believes sustained yield means something else, what does it mean?

Does this amendment fill out the bill according to the policy enunciated by the Premier and accepted by the government, or has that policy somehow changed, or have the experts who know a little bit more about forestry reached the Premier and the minister and said, "Look, that two for one didn't make any sense"?

Just make that statement. Let us know what he means. Let's not have a situation where we play with the forest industry as an election tool to win seats in southern Ontario by making statements that have little or no relevance to real forest management. Let's have a commitment that after five years, in the five-year review process, he's going to have significant numbers of acres growing so they will be able to provide a yield again in the future, rather than being left barren. Let's have a statement which tells us what he's going to do about the backlog of acres where nothing has been done for years.

Mr. Deputy Chairman: Mr. Minister, do you wish to reply?

Hon. Mr. Auld: I wonder if there's any more comment along the same line.

Mr. Foulds: This is strictly on the amendment, Mr. Chairman. I have some other comments I want to make on the section and the minister knows of a further amendment I'll be submitting on this section later in the debate.

When I first spoke on this amendment I indicated I was embarrassed for the Premier and this minister. Mr. Chairman, I'll tell you another source of my embarrassment.

I must confess I am embarrassed I didn't think of the idea my colleague, the member for Sudbury East, had earlier. I am embarrassed I did not think of focusing the debate in the way he did three or four weeks ago when we knew that this bill was coming up for debate in the House. In fact, we've known for several months this bill was coming up for debate in the House.

What I want to say is I don't believe a politician in this province should make a commitment like the Premier made in 1977 unless it can be carried out in legislative terms. A commitment that has no legislative backing to it has no backing to it. It is like the old phrase, not worth the paper it isn't written on.

That's what I find distressing about this government in general terms, not merely when it comes to reforestation and regeneration, but when it comes to rights for special ed. They enunciate a policy but they don't give it legislative backing. We're still awaiting that bill to guarantee special education rights to young children in this province.

I sat here and leaned over and said to my colleague from Algoma, "I could get more and more exercised as we get into this debate." We sit here and we're all anxious to get the bill passed because it is a step in the right direction. But when I hear the minister

make some of his roundabout—if the minister will forgive me—otiose statements, I get disturbed. I get disturbed when we're told, "We're planting so many seeds and if every one of them grow it will be more than two for one and it would be contrary to this if we put it in legislation." I'm a relatively unsophisticated person.

[5:00]

When I look at the Ministry of Natural Resources annual report for this year and turn to page 10 of that report, there is a brief chart outlining the classification of cuts for forest land in this province and we look at the summary of silvicultural operations in 1978-79.

Forgive me if I am wrong, but as I read that report and take the accumulation of the totals of the clearcut, the selection cut, the partial cut, we have a total of 481,850 acres cut. Out of that we have this quaint category, "not available for regeneration treatment, 154,227 acres." We have another category called, "natural regeneration without treatment, 141,013 acres." Then we have what is called, "available for regeneration treatment, 186,610 acres." As I said, I came up with a total of 481,850 acres that we have cut.

Then I look down the regeneration table. I look at the planting of nursery stock, planting of container stock, seeding, scarification, strip cutting, seed-tree cutting, shelter-wood cutting and clear cutting, and to give you the best possible figure I come up with a total of 193,154 acres. As I read that, the percentage regenerated is 40 per cent.

The ministry does something rather strange in this table. There is another half, at the bottom of the page, which is called "retreatment for regeneration." Then there are headings like "pending," "site preparation" and "marking." For those, the ministry comes up with a figure of something like 592,390 acres that have been treated in one way or another. There is something funny, if you will pardon me, with those figures. The ministry is double counting; it is saying hand cleaning is regeneration; that herbicide spraying is regeneration—

Mr. Wildman: Herbicides?

Mr. Foulds: That's right—if the total area treated is counted.

What is misleading about that is the total area treated, the bottom line—which magically exceeds the bottom line of how much has been cut—looks as if we were regenerating or reforesting more than we cut. But it isn't true. That is not what's happening. The categories outlined there in the bottom half, after the 193,154 acres that actually had some kind of regeneration and reforestation, aren't reforestation or regeneration techniques. In other words, the ministry is mixing apples, oranges, bananas and pineapples to make the figures look good.

Mr. Wildman: Typical. You're cooking the figures.

Mr. Foulds: As one tries to sort the wheat from the chaff in the annual report, what one actually comes down to is a 40 per cent regeneration figure. At least, that's what I come down to. I would certainly like some instruction if I'm wrong.

What I find even more distressing about that 40 per cent for this year, 1978-79, after the two-for-one promise, is that included in that category is "natural regeneration without treatment." There is no estimate of the wood inventory we get from that regeneration, no estimate of the quality of the second forest and whether or not we have adequate black spruce, for example, the prime species along with pine, for pulp and paper, for which we primarily need this timber.

We have the category called "available for regeneration treatment."

Mr. Wildman: A euphemism.

Mr. Foulds: We're not given an indication. We find out when we get to the middle of the page that even though it was available, some of it wasn't treated.

I think what we were told at the forestry seminar in Thunder Bay in the summer of 1976 is still true—of what we cut, we replant one third; one third of the whole gets regenerated naturally, and we write off one third.

Mr. Wildman: And only 50 per cent of the part we treat actually is successful.

Mr. Foulds: Exactly. I hope the interjection of my colleague from Algoma gets into the record because it was exactly the next point I was going to make.

What was true then has not improved today. We are putting so much faith in this section and this amendment that I worry. I worry that this government is serious. When it comes to section 5(2), the definition of sustained yield is, "The growth of timber that a forest can produce and that can be cut to achieve a continuous approximate balance between growth of timber and timber cut."

Mr. Wildman: How does that relate to two for one?

Mr. Foulds: I worry. I worry more than I can say about that word "approximate" because what approximate has meant historically

in this province is about one third of what was cut.

I worry about that because I come from northern Ontario and my part of the province depends on the forest industry for its life. Every time I think about the fact that 75 per cent of the jobs in my part of the province are dependent on the forest industry, and every time I think about the fact that this government, with its base in southern Ontario, has mismanaged the forests as cavalierly as they have, I get angry. I get a deep and burning anger.

I was born and I was brought up in the north and like every snotty-nosed, smart-alec teenager, I wanted to get away. I got away for eight years and I went back to the north. I found I liked it there. That was my home. I have deep and abiding roots in that northern forest and it means a lot to me in hard, cold economic terms. If it's not too romantic in the best sense of the word, it means a lot to me in emotional terms.

When I see the frivolity with which the Premier treats the problem of regeneration, I'm thankful I have a colleague like my friend from Sudbury East who can focus on an issue so well, the way he has done with his amendment. I worry we have in legislation the flummery we have when we have the definition for sustained yield we have in this bill.

Mr. Bolan: Mr. Chairman, I would like to express my concerns on this section because I very much fear it will not accomplish the fundamental principle of the bill, to bring about a better way of reforestation in Ontario. What I'm particularly concerned about is what will happen when a company enters into one of the agreements referred to in section 5 and that company does not proceed with its end of the bargain; that is to say, it does not replant or reforest, as it should.

At what stage does the ministry come in? Is it two years after they were to start reforestation? Is it one year? Is it three years? By the time the ministry realizes the company is not doing what it should be doing, is the cat out of the bag; is it too late at that stage for the ministry to go in and to start doing the work which should have been done by the company? What I'm really asking is what kind of a policing system will the ministry have to ensure that the companies are actively participating in this program of reforestation? As the minister knows, if reforestation is to be effective, it should be done as quickly as possible after the initial cut.

I'd like to refer you to some statistics which were set out by Mr. George Brown, a forester who spoke at the conference on forest regeneration. He had undertaken a survey of some 30,000 acres of cut-over land which was harvested in 1972-73. Of those acres, 10,000 were treated silviculturally by planting seedlings or scarifying for natural regeneration. His results showed that on treated acreage the forest maintained 74 per cent of the original amount of jackpine and 90 per cent of spruce. However, on the 20,000 non-treated acres, he discovered 22 per cent of the original level of jackpine and 60 per cent of the spruce regenerated. He also found there was a transition from spruce to balsam fir and from pine to poplar.

Mr. Wildman: That's right.

Mr. Bolan: His tests revealed that it is absolutely necessary to treat areas as soon as possible once the area has been cut.

My concern is where the company does not do what it should be doing within a certain period of time, even with the provisions of the agreement calling for liquidated damages or some form of repayment by the company to the ministry, the horse will be out of the barn and there won't be much that you can do about it. I would like you to assure us that something can be done about it and that some kind of teeth can be put into the legislation to ensure some form of policing by ministry officials so that the reforestation programs are carried out.

Dealing particularly with other parts of that section, it says that the minister may enter into an agreement. Why is it "may"? Is it at the option of the ministry or is it at the option of the company? Don't you feel that if you are going to get into a program of reforestation it's the ministry which should have the option as to whether or not it wants to enter into an agreement with the company? What if the company refuses to enter into an agreement? Does that mean it automatically does not get a licence to cut? I'd like to have some answers to that.

I'd like to have some assurance that the "may" refers to the ministry's option and it is the ministry that decides which company it will enter into an agreement with on reforestation and that it is not left to the option of the company. Otherwise, it may not be beneficial to a company to enter into an agreement with the ministry with respect to a certain area which is being cut or with respect to the type of trees which are being cut in that particular part of the province or in that particular area. It may be better

for the company not to get involved in any program of reforestation.

Again, I ask the question why should it be left up to the company to determine whether it should enter into an agreement or not. I feel it should be at the discretion of the ministry because the ministry can determine on how its long-range plans are going ahead and whether or not it is important for the reforestation of the forest of that particular area whether an agreement should be entered into.

[5:15]

Again my main concern is if the company does not cut, but if the company does not do anything about it, at what stage do you come in? At what stage do you enter and say, "Okay, fine. We realize that company A is not doing what it should be doing, or that it is not doing it properly. Therefore we are now going to come in, or bring in a contractor, or whatever has to be done to see to it reforestation takes place"? I would like to have some answers to that.

The other question is the construction, reconstruction and maintenance of any roads necessary for such management and operation. Has the province entered into an agreement with the federal government with respect to the funding for companies to build roads for purposes of reforestation?

I believe there was some discussion about that some six or seven months ago, perhaps longer. I understand the federal government was prepared to make some funds available precisely for this purpose of joint funding for purposes of building roads and getting into areas for reforestation. I wonder if you could clarify that point for me.

The other comment I have to make is on the amendment. I can live with that amendment because, after all, I want to see the Legislature of Ontario have full opportunity to implement one of the resounding doctrines of the Premier of Ontario. I think it is only fair we should all rise when the time comes and support the amendment, so we can unanimously support the Premier of Ontario in his endeavours for reforestation.

Mr. Ruston: A minority government works that way.

Mr. Bolan: Absolutely, because the opposition parties are always criticized for being nothing more than stumbling blocks. With this surge of legislation we have seen over the past two years, here is an opportunity to show the people of Ontario that by no means are we stumbling blocks. In fact, we are even going to go back and give full support to one of the Premier's election promises. I really think we would be remiss in our duty as legislators and as conscientious citizens of Ontario if full support were not given to this doctrine of his.

Now it has been mentioned by previous speakers that maybe the Premier was wrong. We realize, of course, that he is bereft of human failings and weaknesses. If that is not the case, then all he need do is rise or have somebody run down here for him and say, "Well, I am sorry. I made a mistake. I was not right on the two for one. Perhaps it should be something on a sustained yield."

Mr. Ruston: Like his kissing cousin in Ottawa.

Mr. Bolan: Absolutely. And then of course we will get into the convoluted definition of a sustained yield, which really amounts to whatever interpretation the ministry wants to give at whatever time is convenient for them.

So as I say, we can live with the amendment and I am really pleased to see the member for Sudbury East has the foresight to give the people of Ontario full opportunity to compliment the Premier on his statements of 1977.

Mr. Chairman: Are there any further comments on the amendment? If not I will put the question.

Mr. Minister, any further comment?

Hon. Mr. Auld: Mr. Chairman, prior to putting the question, there are a couple of things I would like to say.

First of all I think it is fair to say the statement referred to as the Brampton charter was really a symbolic statement indicating that a major effort was to be made in regenerating the crown forest of this province. The figures I indicated today, in terms of provincial expenditures over the current and the following four years, make that pretty clear.

I think there are some real problems in the way the amendment has been put. As I pointed out, technically I suppose we are well ahead of that two for one planting. But I must say that there is one part of the amendment—

Interjections.

Hon. Mr. Auld: With good forest practice, with the things I mentioned earlier today about what happens when you cut an area for the first time and what you have to use for roads and landings and that sort of thing, it will not be possible to regenerate every acre harvested. That in itself is just not good forest practice and would not happen.

As the member for Rainy River said, there are areas which have been forested which are not economically viable for reforestation. There are other areas which can be improved and from which the yield can be greatly enhanced. I think there are sound reasons for not accepting this amendment as presented by the member for Sudbury East.

There are two or three other matters I would like to comment on in dealing with section 5. The commitment in 1977 was really that there was going to be a major increase in reforestation. I think most foresters would agree what we are talking about is not trees but cunits—the amount of fibre produced. A spindly tree two inches in circumference is a tree, but it is not much in the way of wood and it is not useful. What we want to do is improve the yield from those forest lands which are good forest lands and from which the yield can be substantially increased.

Mr. Wildman: What about the backlog?

Hon. Mr. Auld: I touched on the not satisfactorily regenerated land in my remarks previously when I indicated there is a provision in the agreement—section 24 I think it is—which says five per cent of those lands which are satisfactory for regeneration but have not been satisfactorily regenerated will be treated by the licensee each year for a period of 20 years so that we will catch up. That is one of the ways we expect to increase the yield, and increase it very substantially.

The member for Port Arthur touched on a number of things which other members have touched on, but he did ask what the ministry is doing regarding the quality of black spruce regeneration. I am happy to tell him I am informed the ministry this year began large-scale production of genetically-improved white spruce and black spruce. Initially we demonstrated that more than 500,000 such trees can be produced within a 12-month period and this is the largest program of its type.

The member for Nipissing spoke about the one third, one third, one third. I think it is fair to say the natural forest has been exploited since the early settlement in this province and now we are attempting to enter into an area of intensive management. This is because the convenient forest and the good forest has retreated further and further away from the points of usage. It is becoming apparent to everyone that we did not have a resource which would regenerate itself naturally in the quantities which are now being consumed and will be consumed in the future, provided we have them. Our method of doing this is through the forest management agreement.

I hope one day shortly to table the growing stock figures as soon as the current inventory is complete. It is the plan then to table them every five years thereafter.

The honourable member also asked about roads. There is an agreement signed by Ontario and the government of Canada just about a year ago now, under the Department of Regional Economic Expansion for I think $70.1 million. Some $59 million or $60 million of this was for roads and bridges, primarily to overmature timber which is a little too far away at the moment to reach conveniently. The remainder is for silviculture and a variety of other things having to do with reforestation.

The member was concerned about the immediate control each year as to whether the company was carrying out its part of the agreement. As I mentioned earlier, there is a very easy way of keeping track of that because since they would be billing us for the work they do, if we don't get a bill we know they haven't done any work, quite aside from the general supervision that ministry staff will be applying to the companies with which we deal.

In reply to the question, are companies going to come in and what would we do if they don't, I think I indicated earlier I have been in touch with all the companies and have indicated we will require them to enter into an agreement, though not all at once because of the problems of serving that large a program overnight.

The member asked what the ministry would do if a company declined. My information to date is that will not happen. On the other hand, there are a number of things we could do. The two obvious ones would be to indicate that their licence would be reduced or terminated, which the minister has authority to do. I suppose the other would be to go in and do it ourselves, as we have been doing in a modest way in the last few years but which we think is inefficient for the reasons that have been set out before. So there are choices.

Finally, I would suggest the intent of the member for Sudbury East's motion that regeneration increase and increase dramatically is one with which I cannot quarrel and I don't think any member of the House can; certainly none has so far in this discussion. But I think the wording of it is such that it is not possible to carry out in terms of good forest practice. I think the indication by the government of the two-for-one planting is a symbolic way of indicating the kind of pro-

gram that we are now asking for approval in principle from this House to get ahead with.

Mr. Foulds: If I could just comment very briefly, several years ago a former Queen's Park columnist for the Globe and Mail referred to this same minister in a different portfolio as the Doug Harvey of the Legislature in terms of defence of—

Hon. Mr. Auld: Pardon? I am going to have to get this thing fixed.

Mr. Foulds: A former columnist for the Toronto Globe and Mail referred to this minister as the Doug Harvey of Premier Davis' cabinet; that is, a smooth defenceman who didn't look as if he was working hard, but certainly was, and had very few hard shots put by him.

An hon. member: The Minister of Northern Affairs (Mr. Bernier) is getting the shots.

Mr. Foulds: I think the defence the minister has managed to generate this afternoon has been one where he has not lived up to that reputation. The use of the word "symbolic" is indeed interesting because the words of my colleague from Sudbury East and the words of the Premier are identical. The words were quite clear to a commitment to replacing, the Premier said, at least two trees for every one harvested—not planted, not regenerated. He used the word "replaced."

[5:30]

Mr. Wildman: You would have to plant 10 for one then.

Mr. Foulds: I was curious enough to send to the legislative library for a dictionary. The page was kind enough to bring back from the legislative library the Concise Oxford Dictionary, which is a fairly reputable publication, probably the most reputable dictionary published. The definition for "replace" is quite clear; verb transitive, put back in place, take place of, to succeed, be substituted for. In other words, a commitment to substitute at least two trees for every one harvested—not two seeds, not two seedlings, but two trees.

The minister also indicated that it was impractical to regenerate every acre harvested and the minister is probably right. We agree with him. We agree with him and we disagreed with the Premier in 1977. And we said so publicly.

If you will forgive me, we took some beating on the hustings because of that, because the Premier's simplistic promise, which was not symbolic at the time, carried some weight with the public of Ontario. It got your party some votes and it lost us some votes, but that commitment was quite clear. It was to regenerate every acre harvested. If this minister wants to say the Premier's statement was symbolic, then I want to say to him through you, Mr. Chairman, the vote on this amendment is going to be symbolic too.

Mr. Chairman: Are there any further questions or comments on the amendment?

If the committee is ready for the question, I will read the amendment, as the legislative counsel changed a few words to make it grammatically correct.

Mr. Martel's amendment now reads that subsection 1 of section 5a of the act, as set out in section 5 of the bill, be amended by inserting after "agreement" in the sixth line: "shall provide for the yield to be sustained on the basis that at least two trees are planted for every tree cut under the agreement and that every acre harvested is regenerated."

All those in favour of Mr. Martel's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Amendment stacked.

Mr. Chairman: Any further comments on section 5?

Mr. Foulds: My colleague has some questions that may more properly apply to section 6 than section 5. I would like to submit my amendment formally at this time although I would be glad to defer discussion on it because it comes as a last subclause in this section. It's on section 5. It's the one I have already submitted to the minister but have not yet formerly submitted it to the table.

Mr. Chairman: Mr. Foulds moves that section 5a of the act, as set out in section 5 of the bill, be amended by adding thereto the following subsection: "(4) The minister shall, within five days after he enters into an agreement under subsection 1, lay a copy of the agreement before the assembly if it is in session or, if not, at commencement of the next ensuing session."

Mr. Foulds: That amendment is being distributed to other members of the assembly, Mr. Chairman. As I say, I would like your guidance. I am willing to defer debate on that if there are other people who have questions on subsections 1, 2 or 3 of section 5.

Mr. Chairman: Are there any questions or comments on any other subsection prior to the new section? The member for Algoma has something prior? All right. I will just hold this then and place it when the discussion is completed.

The member for Algoma, on what clause?

Mr. Wildman: Mr. Chairman, I really need some direction here, if you could give me

some direction. I have some questions to ask with regard to how the agreements set forth under section 5 would affect communities that are on crown land. I am not certain, frankly, whether this should be dealt with under section 5 of the act or section 6. To elaborate, I could give you some idea of the problem I have.

Hon. Mr. Auld: I think I can answer that question. I believe I mentioned previously that because of the use of crown management units and the fact a number of different operators may be operating on the same acreage, there is no intention of applying this kind of forest management agreement to them. We intend to reforest those ourselves, or under contract directly with the crown, or there may be in the future some different method.

There is no intention of using this kind of a forest management agreement to deal with crown management units. We will continue to deal with them in the foreseeable future as we presently are.

Mr. Wildman: The minister didn't quite understand what I was referring to when I said "communities." If I could elaborate, perhaps he could give us some indication of where it would be best for this to be debated, if that is in order.

The communities I am talking about are native communities located on crown land for which they have at this time no clear title. I want to know under which section of the bill I should be raising the questions which I intend to raise; that is, how any agreement that might be made in line with the provisions set out in the act might affect the land on which these communities are situate.

Hon. Mr. Auld: I think the best way to answer that at the moment is there are a number of areas within the province where there is presently a caution, Temagami and so on, and there are no new licences being issued.

In other areas where there is a claim by the native people, but the title presently is in the crown, depending on the discussions which took place that area might well be licensed now. If in negotiations or legal proceedings at some time in the future that ownership reverted from the crown to a band, then obviously some settlement would have to be made for whatever resources had been removed from it.

I would say as a matter of practice the ministry has not issued licences for areas where it was likely there might be a claim from the native people. On the other hand, some of the areas have been discussed as being possibly now in the crown, but argued by the native people that they shouldn't be; I think we would have to deal with these as we go along because we can only deal with what exists in law. If something now is in the crown and somebody else has a claim towards it, in my view unless there were compelling indications that it might not remain in the crown as we have to deal with it as crown land under the Public Lands Act.

Mr. Wildman: Mr. Chairman, it might be helpful if I were to list the specific communities to which I am referring. I still haven't received a statement as to whether or not it is in order for us to be debating this under section 5 or under section 6. I'm still not aware.

An hon. member: It's not even under the act.

Hon. Mr. Auld: If it's to be debated, it should be under section 6. I am informed by our counsel that unauthorized occupation is not affected by this legislation. Any change from a licence to a forest management agreement does not change the status of the land.

Mr. Chairman: That makes it very clear.

Mr. Wildman: Mr. Chairman, that gives me the problem I started out with. There are a number of communities in the northwest for which title is very unclear. The province considers the land to be crown land but the native people are in the process of requesting—and have presented a brief to the two senior levels of government—that these particular communities be given reserve status.

To say this bill does not affect it is very legalistic and correct—it doesn't affect the status of the land—but my question is: Are we going to allow agreements to be made covering land which is now in question and upon which people have lived from time immemorial without consulting them? I can't accept that if that's the case.

I'd like to have a commitment from the minister now that whatever agreements he makes will not affect the land which is now occupied on Poplar Hill, North Spirit Lake, Deer Lake, McDowell Lake, Slate Falls, Aroland, Webequie, Lansdowne House, Summer Beaver, Hawley Lake, Long Dog Lake, and Fort Albany. If the minister can make that kind of commitment, it will assure us that the natives living in those communities are not going to face a situation where someone comes in and is given control over the land on which they live. Frankly, it would be much better if the government would make a commitment to make an agreement

with these communities similar to the one it made a few years ago at Big Trout Lake.

Hon. Mr. Auld: With the greatest respect to the honourable member, I really don't see there is anything in this bill that relates to the status of the lands which the honourable member has mentioned. I do know this: There are areas in the province—there is one presently under negotiation which a group from a band wants to acquire and move to and be given reserve status. They're negotiating with the government of Canada which in turn will purchase that land from the province, as they have over the years in other areas I'm told, to create in effect new reserves or new landholdings for status native people. For me to indicate at this point any blanket agreement as to changing the status of the land which the honourable member mentioned is impossible, of course, and I really don't see how it relates to the principle or details of this bill.

Mr. Foulds: Mr. Chairman, the thing that must be clarified for the purpose of this bill and this debate is simply that we must have very clearly from the minister statements that the ministry is not engaged in coming to an agreement and will not engage in coming to an agreement under this act giving cutting rights, either through the agreement process or through the licensing process, to a pulp and paper company for lands on which there are communities that have been established by the native population at the places mentioned by my colleague; and we must have a clear commitment that there will be no cutting rights for the lands on which those people have set up communities until the questions have been satisfactorily resolved.

[5:45]

What the resolution is is a matter for debate, discussion and negotiation between the government and the peoples involved. I don't think we could in conscience agree to the legislation at this point unless we have a clear undertaking there would be no preemptive strike—if I can put it that way—through this bill at those communities my colleague from Algoma mentioned.

Mr. T. P. Reid: I just have one question of section 5a(3) where it says that the various subsections "do not apply in respect of an agreement entered into under subsection 1."

Having gone through those sections and subsections of the bill and looked at the draft agreement, I have to keep in mind it is only a draft agreement and what is in the draft agreement isn't necessarily completely what we are going to wind up with. Presumably there may be changes, I hope not substantive ones, other than what we have seen.

My question is both philosophical and legal: Is the minister convinced that he is protected and the people of Ontario are protected with the same kind of legal protection under section 5 of this bill and under the other sections of the amendment to the Crown Timber Act? In other words, we are not unduly giving anything up by not allowing these sections that do impose penalties or requirements and rights, in the minister's case, to operate on the minister.

I take it we are convinced we are not losing anything by this and the minister still has the necessary arsenal of tools to operate under the draft agreement as he would have under the act, were these sections to apply.

On motion by Hon. Mr. Wells, the committee of the whole House reported progress.

The Honourable the Lieutenant Governor of Ontario entered the chamber of the Legislative Assembly and took her seat upon the throne.

ROYAL ASSENT

Hon. Mrs. McGibbon: Pray be seated.

Mr. Speaker: May it please Your Honour, the Legislative Assembly of the province has, at its present sittings thereof, passed certain bills to which, in the name of and on behalf of the said Legislative Assembly, I respectfully request Your Honour's assent.

Clerk Assistant: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill 86, An Act to amend the Pesticides Act, 1973;

Bill 144, An Act to amend the Corporations Act;

Bill 152, An Act to amend certain Acts respecting Regional Municipalities;

Bill Pr7, An Act respecting the County of Northumberland;

Bill Pr10, An Act respecting the City of Hamilton;

Bill Pr8, An Act respecting the City of Hamilton;

Bill Pr17, An Act to revive the Dinorwic Metis Corporation;

Bill Pr19, An Act respecting the City of Cornwall;

Bill Pr22, An Act respecting the County of Simcoe;

Bill Pr23, An Act to revive Honing Corporation Limited;

Bill Pr24, An Act respecting Co-operators Life Insurance Association;

Bill Pr26, An Act to revive Smith Brothers Jewellers, Limited;

Bill Pr29, An Act respecting the Assumption Church Cemetery.

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant Governor doth assent to these bills.

The Honourable the Lieutenant Governor was pleased to retire from the chamber.

CROWN TIMBER AMENDMENT ACT

Mr. Foulds: Mr. Speaker, on a point of order before we adjourn, just so we can be clear. The committee rose and reported a few minutes ago. An amendment had been placed and stacked by agreement until 10:15, as I understood it.

What I want to get from the minister is whenever that amendment is put, does that carry the section under discussion—because we haven't completed the discussion on the section—or does it simply dispose of the amendment? I think we should be clear on that before we leave at six o'clock so we know whether or not there will be a vote this evening.

Mr. Speaker: It's my understanding that order of business will not be continued this evening. The same minister has estimates in committee. That matter will be resolved when members next resolve themselves into committee for dealing with that bill.

Hon. Mr. Wells: I would assume you're saying, Mr. Speaker, that order can't be called this evening because our rules provide that we cannot debate Natural Resources matters when the resources development committee is hearing estimates. Since this is the case we therefore will not be voting on that this evening. Is it agreed that it's stacked until that matter again comes up?

Agreed.

The House recessed at 5:56 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
103	4309	2	16-17	property. There has always been ample liability on a child with respect to his liability for torts.

APPENDIX

(See page 4413)

ANSWERS TO QUESTIONS ON NOTICE PAPER

THIRD-LANGUAGE PROGRAMMING

316. Mr. Grande: Will the ministry responsible list all the radio, television and cable stations in Ontario that broadcast in third languages? Specify which third language. (Tabled October 16, 1979. Interim answer November 1, 1979. Approximate date information available November 12, 1979.)

Tabled as a return.

SPLAKE PROGRAM

327. Mr. Foulds: Will the ministry list the amounts spent annually on the splake program since its inception? Will the ministry break down the expenditures into the amounts spent on research, salaries and stocking? Will the ministry total the amount in each category as well as the total overall amount spent?

(Tabled October 25, 1979.)

Hon. Mr. Auld: The answer is as follows:

Splake research (Maple) 1957-1979		$400,000
Field testing 1957-1979		$500,000
Productive stocking (Chatsworth)		
1969-1977	$540,000	
1978—no stocking due to hatchery disease control		
1979	$100,000	$640,000
Assessment of production stocking (Owen Sound) 1971-1979		$120,000
Total		$1,660,000
Estimated portion of the above amount spent on salaries (approximately half)		$830,000

DISCOUNT PRACTICES

330. Mr. MacDonald: What payment has been made, or committed, by the inquiry into discounting and allowances in the food industry in Ontario to Laventhol and Horwath, management consultants; and specifically, what payment has been made, or committed, for that firm's report entitled Brief Analysis for the Royal Commission of Inquiry into Discounting and Allowances in the Food Industry in Ontario, dated October 1979?

(Tabled October 29, 1979.)

Hon. Mr. McMurtry: Up to and including the week of September 21, 1979, payments totalling $101,367.50 have been made to the firm of Laventhol and Horwath, management consultants, for services rendered to the inquiry into discounting and allowances in the food industry in Ontario. A further invoice in the amount of $1,900 is anticipated shortly. No additional commitments have been made or are outstanding at the present time.

The firm's report entitled a Brief Analysis for the Royal Commission into Discounting and Allowances in the Food Industry in Ontario and dated October 1979, is purely a summary analysis of some of the material provided by the firm to the inquiry. This brief analysis represents only a small portion of all the information provided by Laventhol and Horwath to this inquiry, and the cost of this brief analysis is included in the total billing of this firm.

REGULATIONS DATA

331. Mr. T. P. Reid: Could the ministry inform the House how many regulations have been passed in the years 1977, 1978, 1979, until September 30? How many regulations have been rescinded in 1977, 1978, 1979, until September 30? (Tabled October 30, 1979.)

Hon. Mr. McMurtry: The answer is as follows:

Year	Total No. Filed	New Regulations Total	Special		Other	Amending Regulation	Revoked Regulation
1977	975	88	(52	+	36)	876	11
1978	1007	117	(67	+	50)	880	10
Sept. 30 1979	709	68	(26	+	42)	630	11

The total number filed represents both the number of regulations filed and revoked.

A new regulation is categorized as one that deals with new subject matter but not one that revokes and remakes an existing regulation. The totals reported as "Special" represent orders under section 29a of the Planning Act.

An amending regulation is one that merely amends an existing regulation.

A revoking regulation is categorized as one that revokes an existing regulation and does not remake it. A revoking regulation revokes a principal regulation and all other regulations that have amended that principal regulation from time to time.

OMB DECISIONS

332. **Mr. T. P. Reid:** How many decisions of the Ontario Municipal Board have been overturned by the cabinet for 1977, 1978 and 1979, until September 30? What was the reason the cabinet overturned the decision of the Ontario Municipal Board in regard to the city of Thunder Bay restricted area bylaw 209-1978? (Tabled October 30, 1979.)

Hon. Mr. McCague: In the year 1977, there were eight decisions overturned. In 1978, six decisions were overturned and five were varied. In the period from January 1, 1979 to September 30, 1979, there were three decisions overturned and 22 were varied.

The petition referred to was with respect to the refusal of the Ontario Municipal Board to approve an application by the city of Thunder Bay to amend zoning bylaw 209-1978 of the city of Thunder Bay to permit the construction of a 90-unit apartment block, together with parking facilities for 110 spaces.

The proposed development was on the periphery of the downtown commercial area. Part of the property was zoned "multiple family" and part was zoned "C4-community commercial." Downtown businessmen and churches supported the project which would complement the downtown revitalization program. Opposition was from three neighbours who were owners of nearby single-family dwellings.

UNIT ENERGY COSTS

334. **Ms. Gigantes:** On page 24 of Ontario Energy Review the net energy cost of electricity from Pickering A generating station in 1978 is quoted as being 10.1 mills/kilowatt hour. Could the Minister of Energy table the information on which the calculation of this figure is based? (Tabled October 30, 1979.)

Hon. Mr. Welch: The data on Pickering's total unit energy cost in 1978 of 10.1 mills per kilowatt hour was provided by Ontario Hydro. The information has subsequently been revised by Ontario Hydro and is summarized below:

Interest and depreciation	5.83
Operating and maintenance (including heavy water)	3.09
Fuel	1.48
Total unit energy cost (mill/kWh)	10.40

ENERGY STUDIES

335. **Ms. Gigantes:** The policy paper on Energy Security for the Eighties says meeting the target of five per cent of primary energy from renewable sources (excluding current hydro-electric capacity) by 1995 will cost $16 billion. Could the Minister of Energy table all studies used to arrive at this cost figure? (Tabled October 30, 1979.)

Tabled as a return.

ASSESSMENT EQUALIZATION FACTORS

338. **Mr. Isaacs:** Will the minister state the date upon which an announcement concerning the buffering of the impact of the new equalization factors on general legislative grants can be expected? (Tabled November 1, 1979.)

Tabled as a return.

HIGHWAY NOISE BARRIERS

340. **Mr. Cassidy:** Will the ministry table information on the length of highway noise barriers installed in Ottawa, Metropolitan Toronto, London, Windsor and Hamilton, indicating the proportion of the barriers in each city which run through, (a) residential, and (b) recreational areas? (Tabled November 1, 1979.)

Hon. Mr. Snow: The list of highway noise barriers installed, or under construction, in Ottawa and Metropolitan Toronto, including Oshawa, is attached. Noise barriers have not been erected in London, Windsor or Hamilton.

All noise barrier sites have been selected for the benefit of residential rather than recreational areas.

Noise Barriers Constructed or Under Construction

OTTAWA

Hwy.	Location	Length miles	Completion date
417	From Melrose Avenue easterly to Loretta Avenue. North side.	0.5	Completed
417	From Island Park Drive easterly to Rosemount. North side.	0.8	Under construction
417	From 0.6 miles east of Pinecrest Road easterly to 0.3 miles west of Woodroffe Avenue. North side.	0.3	Under construction
417	From Woodroffe Avenue easterly. North side.	0.9	Under construction
	TOTAL	2.5 miles	

Noise Barriers Constructed or Under Construction

TORONTO

Hwy.	Location	Length miles	Completion date
401	From Dixon Road easterly to Kipling Avenue. South side.	0.6	Completed
401	From Don Valley Parkway easterly to Victoria Park Avenue. South side.	0.8	Completed
401	From Yonge Street easterly. South side.	1.2	Completed
401	From Yonge Street easterly. North side.	0.3	Completed
401	From Highway 427 easterly. South side.	1.2	Completed
401	From Victoria Park easterly. North side.	0.4	Completed
401	From Victoria Park easterly. South side.	0.7	Completed
401	Through the city of Oshawa on the north and south side.	2.5	Completed
401	From Avenue Road easterly to Yonge Street. North side.	0.5	Under construction
401	From Avenue Road easterly to Yonge Street. South side.	0.7	Under construction
401	From Neilson Road easterly. South side.	0.7	Under construction
	TOTAL	9.6 miles	

RICHMOND HILL BYLAW

341. Mr. Stong: Since it has been more than 16 months since the town of Richmond Hill passed bylaw 81-78 which amended the town's official plan, and since it was urgent that this bylaw be approved as quickly as possible because the town wished to have services in place in a new industrial area created by this bylaw by 1981, and in order to balance its assessment the town of Richmond Hill impressed upon the minister's office the necessity of having the bylaw approved immediately, would the minister explain why there has been a 16 months delay in having this bylaw approved by the Ontario Municipal Board? Since the delay in approval does not appear to lie with the Ontario Municipal Board, would the minister assure that all efforts are being made to attend the urgency of this matter? In the light of

the criticism levied by the Comay report at delays in hearings by the Ontario Municipal Board, would the minister demonstrate to the town of Richmond Hill that the delays for having bylaw 81-78 passed by the Ontario Municipal Board are not caused by his office? (Tabled November 1, 1979)

Hon. Mr. Bennett: Bylaw 81-78, adopted June 5, 1978, adopts a new official plan for the town of Richmond Hill. The new official plan has 26 requests for referral to the Ontario Municipal Board. On September 18, 1979, council requested approval or referral of it to the board. The town's request for total referral is under review.

The industrial area of importance to the town is the subject of amendment no. 14 to the former official plan. (Also adopted June 5, 1978 by bylaw 77-78.)

Amendment no. 14 was the subject of two requests for referral to the Ontario Municipal Board. The town's officials asked my ministry to hold back on acting on the referral requests on amendment no. 14 until they had an opportunity to negotiate with the objectors. The town was successful with one of the objectors. However, I was advised on October 24, 1979, by the last objector that these negotiations had ended and that their request for referral of amendment no. 14 remains unaltered.

My decisions on the requests for referral of the new official plan and referral of amendment no. 14 will be made this month after I have discussed the range of options open to me with my own ministry officials and with the mayor of Richmond Hill.

CONTENTS

Tuesday, November 13, 1979

Energy conference, statement by Mr. Davis 4397

Mississauga train fire, statement by Mr. Davis 4397

Transportation of dangerous goods, statement by Mr. Brunelle 4399

Maplehurst correctional complex, statement by Mr. Walker 4400

Point of privilege re ESL programs, Mr. Grande 4401

Gas and oil prices, questions of Mr. Davis: Mr. S. Smith, Mr. Cassidy, Mr. Peterson 4402

Mississauga train fire, questions of Mr. Davis: Mr. S. Smith, Mr. Cassidy, Mr. Kennedy, Mr. B. Newman 4405

Gas and oil prices, questions of Mr. Davis: Mr. Cassidy, Mr. Conway 4407

Cleanup of spills, questions of Mr. Parrott: Mr. Cassidy, Ms. Bryden 4408

Maplehurst correctional complex, questions of Mr. Walker: Mr. J. Reed, Mr. Renwick 4409

J. D. Carrier layoffs, question of Mr. Grossman: Mr. Mackenzie 4409

Explosion suppression, question of Mr. Davis: Mr. Leluk 4410

Margarine products, questions of Mr. Henderson: Mr. T. P. Reid 4411

Transportation of dangerous goods, questions of Mr. Brunelle: Mr. Philip 4411

Mississauga train fire, questions of Mr. Parrott: Mr. Kennedy, Mr. McClellan 4412

Water pollution, questions of Mr. Timbrell: Mr. Cassidy 4412

Petition re Ministry of Natural Resources report, Mr. Foulds 4413

Motion re committee meeting, Mr. Wells, agreed to 4413

Tabling answers to questions on notice paper, Mr. Wells 4413

County of Northumberland Act, Mr. Rowe, second and third readings 4413

City of Hamilton Act, Pr8, Mr. Mackenzie, second and third readings 4413

City of Hamilton Act, Pr10, Mr. Mackenzie, second and third reading 4414

Dinorwic Metis Corporation Act, Mr. Hennessy, second and third readings 4414

City of Cornwall Act, Mr. Samis, second and third readings 4414

County of Simcoe Act, Mr. G. Taylor, second and third readings 4414

Honing Corporation Limited Act, Mr. Cunningham, second and third readings 4414

Co-operators Life Insurance Association Act, Mr. Lane, second and third readings 4414

Smith Brothers Jewellers, Limited Act, Mr. Sterling, second and third readings 4414

Assumption Church Cemetery Act, Mr. Bounsall, second and third readings 4414

Point of order re City of Toronto Act, Mr. Renwick 4414

Crown Timber Amendment Act, in committee 4415

Royal assent to certain bills, the Honourable the Lieutenant Governor 4431
Point of order re Crown Timber Amendment Act, Mr. Foulds 4432
Recess 4432
Erratum 4432
Appendix, answers to questions on notice paper 4433
Third-language programming, question of Mr. Snow: Mr. Grande 4433
Splake program, questions of Mr. Auld: Mr. Foulds 4433
Discount practices, question of Mr. McMurtry: Mr. MacDonald 4433
Regulations data, questions of Mr. McMurtry: Mr. T. P. Reid 4433
OMB decisions, questions of Mr. McCague: Mr. T. P. Reid 4434
Unit energy costs, question of Mr. Welch: Ms. Gigantes 4434
Energy studies, question of Mr. Welch: Ms. Gigantes 4434
Assessment equalization factors, question of Miss Stephenson: Mr. Isaacs 4434
Highway noise barriers, question of Mr. Snow: Mr. Cassidy 4434
Richmond Hill bylaw, questions of Mr. Bennett: Mr. Stong 4435

SPEAKERS IN THIS ISSUE

Auld, Hon. J. A. C.; Minister of Natural Resources (Leeds PC)
Bolan, M. (Nipissing L)
Breithaupt, J. R. (Kitchener L)
Brunelle, Hon. R.; Provincial Secretary for Resources Development (Cochrane North PC)
Bryden, M. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. (Renfrew North L)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Davison, M. N. (Hamilton Centre NDP)
Edighoffer, H.; Chairman (Perth L)
Foulds, J. F. (Port Arthur NDP)
Germa, M. C. (Sudbury NDP)
Grande, A. (Oakwood NDP)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Kennedy, R. D. (Mississauga South PC)
Leluk, N. G. (York West PC)
MacBeth, J. P.; Deputy Chairman (Humber PC)
Mackenzie, R. (Hamilton East NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. (Bellwoods NDP)
Newman, B. (Windsor-Walkerville L)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London Centre L)
Philip, E. (Etobicoke NDP)
Reed, J. (Halton-Burlington L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Roy, A. J. (Ottawa East L)
Ruston, R. F. (Essex North L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)



No. 107

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Tuesday, November 13, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

MINISTRY OF NATURAL RESOURCES REPORT

Mr. Speaker: I beg to inform the House that the petition presented under standing order 33(b) is in order and the annual report of the Minister of Natural Resources for the fiscal year ending March 31, 1979, tabled on October 11, 1979, therefore stands referred to the standing resources development committee.

LOCAL SERVICES BOARDS ACT

(continued)

Resumption of the adjourned debate on the motion for second reading of Bill 122, An Act to provide for the Establishment of Local Services Boards.

Hon. Mr. Bernier: If I may pick up where I left off when we adjourned this particular debate, I think it would be very appropriate if I read into the record again some things for the benefit of the members who were involved in offering what I thought were some constructive criticisms in order to refresh their memories as we, hopefully, tonight go into a clause-by-clause review of Bill 122.

The key features are that it is optional. A community doesn't really have to form a services board if it doesn't want to do so. It doesn't have to cover all the services if it does not wish to form a local services board; also a community can opt out of a local services board. It is designed to be a self-help facility. The intent is to strengthen the voluntary or self-help spirit of the community, not to give it a government program or not to make it, as I said earlier, a municipality. It is voluntary. Board members will not be paid, although the board can confer an honorarium on the secretary-treasurer.

The bill covers only basic services, such as fire protection, water supply, community sewage, septic systems, garbage collection, street lighting and recreation under certain circumstances. Boards will also have the right to raise funds through direct billings, through assessments or through their own community efforts, which many unorganized communities do today; that is through the holding of fall fairs, bazaars and other community efforts.

Under the Local Services Boards Act, they will have the right to receive grants and as such they will be a body created to act on behalf of the electors of that unorganized area. They will have local accountability. The board is accountable to the community for its actions. Elections will be held each year, that being the checkpoint for the electors in that unorganized area. In other words, they will have to account for their actions in a previous year.

There will be no regulatory rights. The board does not have and will not have the power to provide police services nor animal control services. They will not be involved in land planning rights. It is not a planning board and it cannot administer land subdivisions or other land matters. There will be no road planning, as we now have the local roads board and the statute labour board in place, which are operating exceptionally well. They are not a municipal government. The board is not a local government body. It is a self-help, enabling group elected by the people in the unorganized areas.

During the debate on second reading, at least in the earlier portion of this debate on Bill 122, several members raised questions about the financing of local services boards. For the record I want to clarify certain points outlined in my earlier policy statements. The financial benefits of the proposed local services boards legislation are twofold.

First, the bill will give legal status to those unorganized communities that wish it so that they can have access to government programs which have to date been denied them simply because they lack an organization authorized to act for those communities.

Second, the legislation will strengthen local revenue-raising capabilities by permitting a board to levy and collect money for local services, using the provincial land tax mechanism. If a local services board does not wish to follow this route, it will be able to set user fees or receive proceeds from community events, such as dances and other fund-raising events. In addition, the legisla-

tion will permit the Ministry of Northern Affairs to assist local services boards with the ongoing operating and maintenance expenses of their activities. These ongoing costs are often the bane of the community spirit in small northern communities.

This assistance will be calculated on a dollar-per-dollar basis, matching the moneys raised by the community through its own initiative. For instance, if a community has a budget of $10,000 a year to operate and maintain its basic services, my ministry will cover off half of this, or $5,000, provided the community raises its $5,000. I would stress this is a matching grant so that the community must raise its share in order to receive this provincial contribution. It goes without saying the grant will be calculated on local revenues net of any other government funding.

In summary, the proposed legislation will provide a local services board with a direct 50 per cent operating subsidy. The legislation is not intended to duplicate or replace existing government programs. On major capital projects, local services boards will have to look to the established programs of the line ministries or of the Ministry of Northern Affairs, including the Isolated Communities Assistance Fund, better known as ICAF.

On this point, several members have expressed concern that this arrangement will be inadequate for the construction of a water and sewage system as required. I am committed to the principle of the local contribution, but I know too that different communities will have differing abilities to pay, so that on these matters we will have to proceed on a case-by-case basis.

I am confident my ministry and the Ministry of the Environment can work with the communities to arrive at equitable solutions.

These are the financial arrangements I would like to see used for a year or two. The local services board is a new mechanism. I think we will all be in a much better position to evaluate its effectiveness once we have had several years of practical experience with it.

If I could just review matters for the honourable members who were involved in the debate itself, I want to thank them for their contribution, as I have said on a number of occasions. I do think some members have taken the time to study the bill in detail, but I have to say that some have just highlighted it and have not found the real issue at stake, nor have they been able to identify what we are trying to do.

First, I want to mention the member for Nipissing (Mr. Bolan). I think it is unfair to say he made reference to this particular bill being "the illegitimate son of Bill 102." That might be the case in his opinion, but I have to say Bill 102 was brought together, brought forward and advanced through people of the unorganized areas of northern Ontario prior to the establishment of the Ministry of Northern Affairs. If it is illegitimate, it certainly is not illegitimate to this ministry.

Mr. Bolan: Is it illegitimate to you?

Hon. Mr. Bernier: We were not involved in that particular bill. I think it fair to say, as that bill at that time was moved across northern Ontario, it was obvious it was not the type of structure the people in unorganized areas really wanted. We learned a lot from that exercise. We watched the comments very carefully. We watched the reaction of the unorganized areas. Bill 122 is a result of the participation and the input we received from many unorganized areas of northern Ontario.

I think it is fair to say this bill will reduce the alienation of those communities in northern Ontario. Those of us who live in unorganized areas realize that up to this point we have felt a certain alienation from the provincial government and from provincial government programs.

There is no doubt in my mind if this bill is approved it will improve the economic base of these smaller communities, and of course improve the general quality of life and the level of basic services that we all want to see improved in the unorganized areas of northern Ontario. As I said so many times during this debate, it is not a municipal structure, it is a mechanism for improving the basic services so many of us take for granted in other organized communities.

The member for Nipissing in his remarks made some comment concerning the possibility of directing the provincial land tax revenues to the unorganized areas, good suggestion that we had already looked into. I think if we can pass this bill and subsidize their assistance programs, their self-help programs, on a one-for-one basis, it will far exceed the provincial land tax they are paying in the unorganized areas today.

Mr. Bolan: Then why don't you put it into the legislation?

Hon. Mr. Bernier: The province at this point is not anxious to give up that taxation area. I think we have to remember the provincial land tax does certain things for the unorganized areas. The member for

Nipissing recited them and I will go over them again just for his benefit: provincial police, which is part of the service they receive; the contribution to welfare in the unorganized areas, because in an organized community they pay 20 per cent of the welfare costs in their respective areas; the contributions to the children's aid society, which is substantial, I think in many cases in excess of 20 per cent; the contribution to the district homes for the aged paid for by the province on behalf of the unorganized communities; the contribution to the development of a new health facility or any new hospitals being built in the organized areas, there is special consideration given in those northern Ontario grants which takes in the contribution which maybe should come from the unorganized areas. All that is in the very small amount that we pay for provincial land tax.

Mr. Martel: They don't know how well off they are; by the time you get through they will be better off than the organized areas of the province.

Hon. Mr. Bernier: They are going to be a lot better off when this bill is passed, I can tell the honourable member.

Mr. Martel: I'm telling you that's stretching it.

Hon. Mr. Bernier: The honourable member for Sudbury East will be going across northern Ontario in the next few months telling the people of northern Ontario—

Mr. Martel: It was my amendment.

Hon. Mr. Bernier: I know; I'll get to that.

Mr. Martel: It was my amendment, so don't take all the credit for it. You voted against it then.

Hon. Mr. Bernier: I'll get to that and I'll share some of that glory with the member.

Mr. Makarchuk: You mean you flip-flopped, Leo?

Mr. Martel: You saw the light.

Hon. Mr. Bernier: The honourable member also suggested that possibly we should roll in the statute labour board and the local roads board into the local services board. That was a suggestion made at many of the public meetings we had right across northern Ontario. At practically every one of those meetings it was turned down. I think it's fair to say that the local roads board and the statute labour board are operating exceptionally well. They are in place. They have their specific boundaries and there would be a problem if we had the local service board rolled in with the local roads board. There would definitely be a problem because of the boundary aspect. The Unorganized Communities Association of Northern Ontario people from east and west, and I believe the New Democratic Party also,—

Mr. Martel: They get two for one, the local roads boards.

Hon. Mr. Bernier: They have no autonomy though.

Mr. Martel: Sure they have.

Hon. Mr. Bernier: No, they haven't.

Mr. Speaker: The member for Sudbury East has already spoken on second reading.

Hon. Mr. Bernier: It's an interesting point and I think I should clarify it. If a statute labour board is formed it gets one-for-one funding. Those funds are collected and they are allowed to spend the funds the way they want to—one-for-one on a statute labour board. If a local service board is formed, in essence it is an advisory board to the Ministry of Transportation and Communications. The funds are turned over to it, and it spends them using its equipment, and the board loses that direct local autonomy; that is very important. Many people have said to me they would sooner form a statute labour board because they can control the funds they collect.

I think it is fair to say that the boards, be they statute labour boards or local roads boards, are in place and they are working well. We are not anxious, of course, to move or upset or change something that is really working.

[8:15]

The member for Nipissing also suggested we streamline our tax billing. I think he said—and I suppose it would make good sense if we were forming a municipality—that we should roll the school tax, the road tax, the provincial land tax and the local service board tax all into one.

Here again we are losing the whole thrust of our effort in this particular bill. We are not setting up a municipality; that is not the thrust, that is not what the unorganized people want. They want a body, a group, to be elected at large within their community so they can share the costs of the essential services in the boundaries they establish themselves.

They are not interested in going into a very sophisticated municipal type structure. That was the downfall of that illegitimate son, Bill 102. It was too sophisticated; it scared the people off, it was just too complicated.

Mr. Bolan: You could turn out to the downfall of this bill, too, by your obstinacy.

Hon. Mr. Bernier: No, I am not. I am saying it could happen somewhere down the road, maybe not in my lifetime but somewhere down the road. I agree with the member for Nipissing. It would be the ideal solution to roll them into one. I am sure it will happen somewhere down the road.

Mr. Bolan: They are going to get five different bills for taxes; five. Two for education—

Hon. Mr. Bernier: That's what they want. Somewhere down the road the honourable member may be quite right, and I give him the credit for that suggestion. If he's around in a few years I would suggest he make that suggestion then, but at this time I think we should crawl before we get up and walk; and this is the way to do it.

Mr. Bolan: I have been around here long enough to know that what you are doing with this as far as the tax notices are concerned is wrong.

Mr. Speaker: Order, order. There will be ample opportunity for debate when we get to the committee of the whole House.

Hon. Mr. Bernier: Mr. Speaker, the member for Nipissing, I believe, issued a statement that I had deceived the people of northern Ontario. I can't accept that because from day one, as we moved around northern Ontario, it was always mentioned that it would be on a basis of one-for-one assistance.

Mr. Bolan: Then put it in the legislation.

Hon. Mr. Bernier: I have said it publicly right across northern Ontario. I have said in this Legislature that it would be no less than one for one.

Mr. Bolan: Put it in the legislation.

Hon. Mr. Bernier: It may go higher at some point in time.

Mr. Bolan: Fine; then follow my amendment, put it two for one.

Mr. Speaker: Order.

Hon. Mr. Bernier: Mr. Speaker, I don't think the honourable member was correct in making that statement. I have to say to you, in consultation with the unorganized communities, we agreed on a one-for-one basis. They agreed with me that this was the first step to go; we are not locked into a one-for-one basis forever, certainly we are not. I think it makes it much more flexible; it makes it much easier for the government of the day to adjust upwards those assisted programs for the unorganized areas.

Mr. Speaker, I want to again thank the member for Nipissing for taking time out to look at the bill, to contribute what he has. I would hope that as he bears in mind the comments I have offered, both in previous debates and tonight, he will form a broader opinion and have a much greater appreciation for what we are trying to do for the unorganized areas.

The member for Algoma (Mr. Wildman) made a number of contributions or attempted to make some contributions to broaden the bill. Again, I believe this would burden—maybe burden is not the correct word, but to give them a broader mandate within their particular area.

I would have to say to the member for Algoma this was discussed in our dialogue with the unorganized communities. All of these things were discussed, for example, the possibility of being marked in with recreation. They will have a certain responsibility there, but in the other areas the honourable member suggested I think it's fair to say the unorganized areas were not prepared to go that extra mile. Again, they said let us crawl before we walk. We accepted that, which is why we have drafted the bill in this particular way.

The honourable member also mentioned that the Isolated Communities Assistance Fund in his opinion was underfunded in light of the needs of the unorganized communities of northern Ontario and that this bill would, in a way, ease the demand on the ICAF. I would have to say to him that this would strengthen the ICAF program. There is no question about that, because the ICAF will still be in place and the unorganized communities can apply to the ICAF for capital funds; it will be there and they know that. It is one step beyond ICAF, it offers help on the operating side. This particular bill does that. We have the operating side looked after and we have the capital side looked after.

I have to say to the honourable members the ICAF program, of course, is under review. I can tell him it will receive top priority as we move into the establishment of this particular bill.

The honourable member for Algoma also mentioned the one-for-one assistance was inadequate and we should include volunteer labour. He was expressing some concern as to how some of those smaller communities would generate their 25 per cent of some of those capital costs. As I pointed out on many occasions, the one for one is assistance on the operating side so they can operate their communities, look after their street lights, look

after their sewers and water and their garbage collection. Certainly the large capital project would have to be looked at on its own individual merits. As I pointed out to the member for Nickel Belt (Mr. Laughren), Gogama is a typical example that will have to be looked at separately. I have made that commitment and I stand behind that commitment.

The member for Sudbury (Mr. Germa) mentioned there should be sunset legislation in the Local Services Boards Act so it is automatically reviewed or transferred to municipal status. If there is something the unorganized communities don't want, it is that particular thrust in this particular bill. They don't want any part of a municipal structure, at least at this time. If they wanted to go to a municipal structure they could have gone to the improvement district. They could have gone to the Ministry of Intergovernmental Affairs and asked to become an organized municipality; but they don't have that expertise, they don't have that tax base, therefore many of them have not gone in this particular direction.

So I say to you, Mr. Speaker, in consultation again, those who live in the unorganized areas don't want any part of a sunset clause in this particular bill.

The honourable member also implied this is a step towards municipal government, like Bill 102. He thought the province would impose some general restructuring with the municipal structure in northern Ontario. I make the commitment tonight this is definitely not so. Certainly a lot of places, a lot of unorganized communities in northern Ontario, as we know them, are not going to opt for local services boards. We know that. We know they are too small, they don't have the expertise, and I say that kindly of the smaller places. They aren't growing, they are satisfied the way they are. Of course many of them as we know them, will not grow much larger than they are now, and they will want a simple structure to allow them to improve their services within their general areas.

The member for Sudbury also suggested we remove the requirement for public meetings to approve the provincial land tax surcharge. We thought that was a good provision in the bill and I think members agree; I see the member for Algoma nodding in agreement. I think we all agree there should be a public check and a public response to such new levies that may be applied to the taxpayers in that particular area. Again I have to say the unorganized communities would certainly reject any suggestion that would deny them the right of public participation in that major decision; in fact I suppose it would be taxation without representation, one might even call it that if we went so far as to move it in.

The election procedure was another area the member for Sudbury questioned at some length. We think what we have in the bill is a very simple and practical approach. Again it is extremely simple, and of course it allows the community to keep an eye on the affairs of their local services board member by having an election on an annual basis.

Mr. Speaker, the member for Port Arthur (Mr. Foulds) made what I thought were some really good comments and suggestions. We have looked at them extremely carefully. I think they're worthy of consideration somewhere down the road as the bill is in place and as we see the actual operations of the local services board in place.

The suggestion is that we apply pressure to the federal government to have them contribute funds to the unorganized communities for the services they should be but are not providing to those areas. It is a good suggestion and certainly one I want to thank him for and follow up on.

The member for Port Arthur also suggested we consider allowing volunteer labour and donated material as part of the assessment process for contribution from the province. I just want to say we recognize the province will award capital funds through the ICAF program and will continue for some time to match the grants on the operating side of the ledger, but we think it's extremely difficult to value and account for, through the audit system we have in the act itself, provisions for volunteer support.

I think it's fair to say the purpose of this bill is to support community spirit and really not to buy it, that's an important philosophy in the bill itself.

The member also suggested we need a mechanism to protect against exclusionary practices by communities in setting local services boards boundaries. We have a check and approval at certain times during the procedure; and before a boundary is changed, of course, the Ministry of Northern Affairs staff would be asked to assist in that decision.

The member for Sudbury East (Mr. Martel) made a contribution. He went on at some length to recite some of his feelings, which I have to admit to you, Mr. Speaker, have already been incorporated in the bill.

Mr. Ashe: He never read it.

Hon. Mr. Bernier: I appreciate the fact that the member for Sudbury East went to

some length to take credit for what I think is an excellent piece of legislation as it fits to the unorganized communities, but I think he failed to recognize a major issue and point in the bill, and that is the permissiveness of the LSB legislation. That point was never suggested.

Mr. Martel: You better look back at the record, that was in 1977.

Hon. Mr. Bernier: It was never suggested. He suggested a formal type of structure much more formal than we have. But I do thank him for his contribution, I think it was advanced in a very sincere and positive way.

Mr. Martel: Don't distort the facts. You voted against it then.

Hon. Mr. Bernier: Not at that time.

Mr. Speaker: Order.

Hon. Mr. Bernier: It wasn't what we wanted or what was needed at that particular time.

Mr. Speaker: The honourable minister might do himself some good if he addresses his remarks to the chair rather than an individual member.

Mr. Martel: You're being provocative.

Hon. Mr. Bernier: I'm not, I'm just trying to compliment the member and also point out some of his errors and weaknesses.

[8:30]

The member for Nickel Belt (Mr. Laughren) made a contribution and repeated many of the thoughts of other members. I think his concern was for healthy drinking water for any unorganized community in northern Ontario, a concern we all accept and agree with. He went on to point out that we should have a good fire protection program, and this is practically in place right across northern Ontario. He also made reference to a good health-care system.

Many of the items he advanced were in the policy statements I had issued prior to introducing this bill. Again I thank him for his sincerity and his concern.

The member for Welland-Thorold (Mr. Swart) became a little confused in his remarks. It was obvious he is not familiar with northern Ontario. One has to admire the gentleman for his input, although it wasn't helpful at all.

Mr. Martel: He has forgotten more about municipal law than the minister will ever know.

Hon. Mr. Bernier: The unorganized communities' representatives were in the gallery that night and they were literally shocked to hear some of the suggestions advanced by the honourable member. It was obvious he was using up the clock that night and that he was rambling. There was some embarrassment during that debate over what the member for Welland-Thorold was saying. He was advocating regional government and municipal government; if there is something we don't want to see at this time in the unorganized areas it is regional government—not through the local services boards, I can guarantee that; it just will not happen.

The member for Welland-Thorold also mentioned that the English and French languages should be put on the same footing. This is in the bill; there is a clause that clearly points out this will be done where necessary.

Those are the common concerns expressed by a number of members on the other side of the House. I am sure as we go through the clause-by-clause review of this bill we will perhaps tighten it up a bit more. Following the comments made earlier by the unorganized communities and my extensive discussions with them since those comments were made, I don't feel they want to see any major changes; I think it is fair to say that. They think with their contribution to date and with the co-operation of the staff of the Ministry of Northern Affairs that we have a practical bill, one that really suits the needs and requirements of the unorganized areas of northern Ontario.

As we go into the clause-by-clause review of the bill I ask members to keep in mind the needs and desires of those smaller communities, be they of 50, 100 or 500 people, who have the economic tax base that would give them the services they want through the normal channels. We will be there guiding them for the next several years as this bill goes into place. It will give them autonomy and the power to assess for taxation purposes. We have a piece of legislation here which—

Mr. Martel: They can't carry debt beyond a year, can they?

Hon. Mr. Bernier: —without the shadow of a doubt will improve the quality of life in every unorganized community in northern Ontario—

Mr. Conway: Here comes Leo in a fire engine.

Hon. Mr. Bernier: —that accepts the challenge we in this Legislature put out to them tonight.

Motion agreed to.

Ordered for committee of the whole House.

House in committee of the whole.

LOCAL SERVICES BOARD ACT

On section 1:

Mr. Haggerty: I would like to have some clarification on section 1 of the bill. This type of legislation for unorganized communities reminds me of the old police village act. Section 1(c) says, " 'inhabitant,' except for the purpose of sections 3 and 31, means a permanent resident of a board area or an owner of property situate in a board area, who is a Canadian citizen and who has attained the full age of 18 years." Section 1(e) goes on to say, " 'owner means a person entitled to convey land and whose interest in the land is defined and whose name is specified in an instrument registered in the proper land registry office."

The clarification I want relates to section 19(6) of the bill which says, "Any inhabitant is eligible to be elected as a member of the board." But in section 1, if I interpret it correctly, reference is made to the fact that one has to be a property owner before one is eligible to be a member of the board. It reminds me again of the old township school area boards, where ratepayers would be elected to look after the affairs of the local school boards, but the tenants, those persons renting property, would have no voice in the matter of the expenditure of any sums of money for any specific project or essential services. In fact, it may even leave out the spouse's right to have a voice and to be elected to the board.

Mr. Conway: Sexist shame.

Mr. Haggerty: The portability of many employment opportunities in Ontario means that persons are renting quite a bit. It would not permit them, if I interpret it right, to become elected to that board. In fact, they would have very little say in the administration of the board or in raising any objections.

I would like the minister to clarify that and say just who is eligible to be elected as a board member.

Hon. Mr. Bernier: I think the bill is exceptionally clear. I don't see any problem with it.

Mr. Conway: Now just be didactic, Leo, and nonpartisan.

Hon. Mr. Bernier: It has spelled it out clearly.

Mr. Wildman: A permanent resident.

Hon. Mr. Bernier: A permanent resident, a registered owner. Those are the people who pay the taxes, so to speak, or who would be assessed if there were an assessment for a service in that particular area. I fail to get the problem.

Mr. Haggerty: The point I'm raising is just what the minister has said. It's the property owners who are going to be elected to the board or who are going to have any voice or say in the matter, yet people do rent property.

Mr. Wildman: It says permanent resident as well. Read the first part.

Mr. Haggerty: It says an owner of property. That's how I interpret it. A person renting property is still a permanent resident.

Mr. Wildman: That's right.

Mr. Haggerty: But it doesn't say he is entitled to be a member of that board. It says property owner.

Hon. Mr. Bernier: Inhabitant is clearly spelled out. Except for the purposes of sections 3 and 31, inhabitant means a permanent resident of a board area. If he's renting a home, he would be a permanent resident. That would be his domicile and he would be considered an inhabitant and, therefore, entitled to be involved in the establishment and voting procedures of the local services board.

Mr. Deputy Chairman: Any further questions on section 1?

Mr. Conway: Dispense.

Mr. Wildman: Mr. Chairman, perhaps you could give me some direction. I have a number of small amendments to various clauses of the bill that relate to a main one, section 19. Would you prefer I put them all as we go through or should they be put all at once?

Mr. Deputy Chairman: I'm sorry, I didn't get the question. Have they any implications for section 1?

Mr. Wildman: Yes. I would like to move an amendment to section 1 that relates to a major amendment which I'm going to make to section 19.

Mr. Deputy Chairman: I think we'd better have the amendment to section 1 now. Maybe you can briefly explain its relations to section 19.

Hon. Mr. Bernier: If I could interrupt for a moment, there may be some votes, I suspect, before we're finished. I'm wondering if we could stack them. Would that be in order?

Mr. Deputy Chairman: I haven't crossed that bridge yet. I don't expect there are going to be any votes, but do the members wish to agree now that if there are any votes they will be stacked?

Agreed.

Mr. Deputy Chairman: Mr. Wildman moves that section 1 of the bill be amended by adding thereto the following clause: "(f) 'Ministry' means the Ministry of Northern Affairs."

Will the member tell us why he wishes to do that?

Mr. Wildman: This is a housekeeping amendment which would bring the definition in line with an amendment to section 19 I wish to place later. It deals with the mode of elections. In that amendment I will be suggesting the ministry be given responsibility for supervising elections. That's simply the reason for adding it here.

There is one other amendment I will be moving to section 29 which in that case also will refer to the ministry.

Mr. Deputy Chairman: I suppose the suggestion is if the subsequent amendments don't carry then the member won't need it. Yes, I see the problem. The votes will all be at the end anyway, eh?

Mr. Breithaupt: I think, Mr. Chairman, the votes will accumulate with the amendments.

Mr. Deputy Chairman: Do you have any comment to make, Mr. Minister?

Hon. Mr. Bernier: I'm very much aware of the member's amendment and how it ties in to other sections of the bill. I would like to hear the other amendments he has. Maybe we could go through them and I could then make my comments at the end. I think section 19 is the key section where I can make my comments.

Mr. Deputy Chairman: All right. Then I won't put this motion at this time but we will put it later.

Are there any other amendments for section 1 or any other comments on section 1? Otherwise, section 1 will stand as part of the bill subject to possible amendment depending on what we do later on.

Section 1 stood down.

Section 2 agreed to.

On section 3:

Mr. Bolan: This is a relatively minor amendment which I originally filed with the House. A copy went to the Minister of Northern Affairs as well as to the critic for the New Democratic Party. I've added another proviso; "and by ordinary mail to every owner of land situate in the proposed board area."

The section as it reads now sets out how notices are to be sent out to the various inhabitants of the area in question. I'm concerned that some people who own property in the area may not receive notice of the intention of a group of people within the area to form a local services board. This merely adds to the existing section 3(4)(d) to make it now read, "that the notice shall be sent by registered mail to the minister and by ordinary mail to every owner of land situate in the proposed board area."

I simply don't have faith that the proposed method of advertisement is sufficient. I wouldn't like to see this kind of notice stuck on the pine tree in the back 40, shall we say, of the area. After all, we go to great lengths throughout the bill to inform the inhabitants of this particular area what is going on.

[8:45]

Mr. Deputy Chairman: May I place your motion before the House? Mr. Bolan moves that section 3(4)(d) of the bill be amended by inserting after "minister" the words "and by ordinary mail to every owner of land situate in the proposed board area."

Mr. Bolan: In any event, Mr. Chairman, that is the reason for this proposed amendment. It simply is to bring to the attention of all the land owners the fact that an application which will affect them is being made in the area.

We are dealing basically with taxation matters, aren't we? We are talking about some kind of a board which will be set up to go out to the people and which will have the power to raise money. That being the case, it is all the more important I feel for the people, for the owners in that particular area which is affected by the proposed local services board, that as great an effort as possible be made to bring to their attention what is being proposed.

My original intention was to have it sent out by registered mail until I found out that the cost of a registered letter was really prohibitive, and for that reason I have changed it to read "by ordinary mail."

Mr. Wildman: This amendment is quite acceptable to us and we would support it. It makes sense that every owner be notified as well as the minister. We certainly accept it.

Hon. Mr. Bernier: Mr. Chairman, I appreciate the member for Nipissing having done a little more research on his earlier amendment because when he served notice that we would make such a suggestion at this point we did some research and we found exactly what he did, that the cost of registering a letter to each homeowner would be quite prohibitive in this case.

I have to say to the honourable members again that we are not setting up a formal structure like a municipality, although there will be certain levies assessed to those properties with the various services performed by

the local services board. We wanted to make this piece of legislation as simple and as operational as possible. It is obvious to us that if we were in the formative stages of setting up a local services board, in some cases we would have to have two or three people go through the registry to find the correct names and addresses of all those people within the given boundary. There is always the possibility of course that they wouldn't receive the notice that goes through the ordinary mail, or that the mail wouldn't arrive in time. You know what the mails are like today. I am sure the honourable members are very much aware.

Many things could happen that wouldn't lend themselves to the type of structure and the type of administration the unorganized areas really want. They want something simple like the local roads board and the statute labour board where notices are properly displayed, and that is in the act.

You will notice that under section 3(4) the notice calling the meeting "shall set forth by description or drawing the proposed board area and the place, date, time and purpose of the meeting; shall be posted up in at least six consecutive places in the proposed board area." The notice calling the meeting "may be published in a newspaper having general circulation in the proposed area, and the day named in the notice shall be at least 14 days from the date of the last posting or mailing, whichever occurs later."

So plenty of notice is given to those inhabitants of the unorganized areas that a formation meeting will be held in the most simple and positive way we know; one that is working now with the local roads board and with the statute labour board. Again in our consultation with the unorganized communities it was their feeling this system was working. I say now, Mr. Chairman, I am agreeable if there is need to improve and to change this at some later date, then I am prepared to bring the bill back and to make those amendments at that time.

Mr. Bolan: I would like to respond to the comments made by the Minister of Northern Affairs. I agree with you about what people think and feel about the roads boards. However, you have to remember this is a board of first instance. This is the first time this has been given to the people of a certain area. All the more reason why every reasonable effort should be made to notify as many people as possible as to what is going to take place. It is not as if it is the annual notice which goes out to the local roads board. It is not like the annual tax bill which goes out to the area, or the annual notice of the local Progressive Conservative Party Association meeting.

Mr. Wildman: There wouldn't be many to send that to.

Mr. Bolan: The fundamental foundation of the setting up a local services board is to notify as many people as possible in the area who will be affected by it; to notify them that something is about to, or may, take place which is going to affect very seriously their tax structure for next year or the year after, or whatever the case may be.

With the greatest respect to the minister—because I don't think he has the same type of cavalier attitude which the government of the day seems to have—it is a cavalier attitude when you propose a taxation system for many people of a particular part of the province who will be drastically affected by this type of services board. All the more reason for you, Mr. Minister, to let all of them know out there this is what Leo intends to do. They love to hear from you.

Hon. Mr. Bernier: With their help.

Mr. Bolan: Absolutely. Let's spread the wealth. Let's give it all to them. All the more reason for you to send it out by ordinary post. If you notice, I have been very charitable to the ministry and to you in my proposed amendment because I don't say every inhabitant over the age of 18; I restrict it to an owner of a home or to the owner of the property in the hope he will convey it to the inhabitants of that home who are over the age of 18.

When you deal with something so fundamental in a democratic society such as creating a new tax base or creating a new tax system for a large number of people, the least you can do for all of the owners who are going to be affected by this proposed legislation is, first of all, notify them of the intended changes and then let them decide whether or not they want to encumber themselves with this additional burden.

Hon. Mr. Bernier: As I pointed out earlier, there will be difficulties getting the names of the registered owners. There is no question about that, as the honourable member knows.

My own community, Hudson, is unorganized. Right at this time they would have to travel 15 miles to Kenora to go to the registry office to get the right names of those individuals who are land holders in that area. Of course if they missed one, you know what would happen.

I think if we are making it a requirement that it be sent by ordinary post then we are losing the whole thrust of the honourable

member's earlier amendment whereby they be promptly and legally notified by registered mail. As the member has pointed out, this is extremely costly and he has withdrawn that, and correctly so, because he saw the weaknesses in that particular amendment. This would cause inconvenience; driving 154 miles is a day's work. Who would do it?

Mr. Conway: I do it all the time.

Hon. Mr. Bernier: Yes, but in unorganized communities they don't have the honourable member's zip and zap and get up and go that is so evidenced in this House.

Hon. Miss Stephenson: They don't have his leisure time.

Mr. Conway: Or expensive time.

Hon. Mr. Bernier: Or expensive time. It would be a serious inconvenience. Let's be honest, in many instances they are going to have to pass the hat at the organizational meeting. There is no money.

Mr. Wildman: Especially with the one-for-one business. You're going to have to pass the hat with one for one.

Hon. Mr. Bernier: There is no money for somebody to sit down and send out 400 or 500 letters. There is no secretarial help. We have difficulty getting a secretary for the chamber of commerce to be in charge of the recreational committee.

Mr. Bolan: You should be paying for the cost of setting up the initial meeting.

Hon. Mr. Bernier: We will be there assisting them. The northern affairs officer will be at every organizational meeting to give it every assistance possible.

I say to the members in all honesty, doing this would impose a burden on those smaller communities. It may discourage them at the outset from forming a local services board. The cost and the inconvenience and their lack of knowledge as to where to get this information would create a hardship.

If the system I am proposing is not working, in two or three years I am prepared to accept the honourable member's amendment and come back and make some changes.

Mr. Bolan: In so far as determining who the notice is sent to or the particular address of the individual owner is concerned, all the minister has to do is check the records of those to whom provincial land tax bills are already sent. He already has a built-in system within the structure, right now, through the Ministry of Natural Resources. He already has the address of every person who gets a bill from the provincial land tax right now. All he has to do is follow up on that, plug in on it and get it out to them. It's a simple matter.

Whenever something is very basic and very simple—and the minister talks about the basic simplicity of this bill and what he is trying to do to people—for some reason or other he turns his back.

What is wrong with doing it?

Hon. Mr. Bernier: There is nothing wrong with doing it, but the people don't want it.

Mr. Bolan: Then do it.

Hon. Mr. Bernier: It is expensive. The people in the unorganized areas—the honourable member is incorrect in saying the provincial land tax is with the Ministry of Natural Resources. It is with the Ministry of Revenue.

Mr. Bolan: That's right.

Hon. Mr. Bernier: I say to the member for Nipissing, how will the individual who may have the initiative to start agitation for a local services board know where the boundaries are? He won't know where to send the notices because no boundaries are established until the first meeting is called and until they themselves decide where they will service. There is that difficulty.

I say to him the posting of notices in six conspicuous places, 14 days in advance of calling that meeting; the placing of ads within the local paper if there is one; the moccasin telegraph as we all know it in the smaller northern communities, will be sufficient.

Mr. Wildman: Smoke signals.

Hon. Mr. Bernier: Smoke signals, yes. The news goes around very quickly in unorganized communities. We're not dealing with a formal structure. It's our desire and the desire of the unorganized areas to keep it as simple and as administratively uncluttered as possible.

Mr. Wildman: If one follows the minister's reasoning one would have the same problem in determining the six conspicuous places. If the problem is if one doesn't know the boundaries, so they can't send letters out to the people, then how are they going to know where the six conspicuous places are?

Of course, when one is going to organize a meeting one is going to have to have something in mind in terms of the boundaries ahead of time. It may not be exactly what is decided on at the meeting. They will be able to determine what the boundaries are in an approximate sense. That way one will know where the six conspicuous places might be in the same way one would know where the property owners are.

[9:00]

Mr. Deputy Chairman: All those in favour of Mr. Bolan's amendment to section 3(4)(d) will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Amendment stacked.

Mr. Deputy Chairman: Will the other subsections of section 3, both before and after the subsection we have just dealt with, stand as part of the bill so that section 3 stands, subject to what the committee may do when it deals with it subsequently?

Section 3(1), (2), (3), (5), (6), (7), (8) and (9) agreed to.

Section 4 agreed to.

On section 5:

Mr. Deputy Chairman: Mr. Wildman moves that section 5 of the bill be deleted and the following substituted therefor: "5. Except as provided by order of the minister made under section 4, the term of office of a board member shall be for two years, commencing on December 1 in an election year."

Mr. Wildman: There are really two things in this amendment. The first and the more important one is the term of office. I feel that with a one-year term of office, despite the minister's statement that he wishes to give them some time to get started and to test things out and so on, in one year you are going to be just developing the kind of expertise you need in order to be able to run a board. The term of office should be longer than that so the members of the executive of the board elected would have a longer time to develop and implement the services they have instituted for the other board members.

I don't think two years is too long. After all, we have other situations in the province where we elect those who represent us and govern our local affairs for two years. That seems to me to be acceptable.

Mr. M. Davidson: Some governments don't last two years.

Mr. Wildman: The other section of the amendment, which changes the date from October to December, relates to a later amendment which I will be putting to section 19 with regard to changes in the type of and date of elections for these boards. It just seems to me that two years will give the board a better period of time in which to develop and implement the services on behalf of the residents of the board area.

Mr. Deputy Chairman: Does any other member wish to comment?

Mr. Bolan: In so far as this particular amendment is concerned, due to the fact that it is a new type of format or a new type of legislation which is being imposed on the people who live in unorganized townships, we feel it should not at this stage in any event come close to the same type of period of electoral mandate, shall we say, of organized municipalities or townships. I think what we should do is see how it is going.

It could very well be that for the sake of continuity of programs which they might develop, the people of the unorganized townships will want to decide later on that it be extended beyond one year. If that were to happen proper representation would be made to the government of the day, of whichever party it may be, and it is to be hoped that the government of that day would listen to the people of eastern and western Canada, who are, incidentally, the main groups behind this type of legislation. So we will not support this particular amendment.

Hon. Mr. Bernier: I appreciate the member for Algoma's concern and a desire to have continuity of members after they have gained some experience, but as the member for Nipissing has pointed out, in our discussions it was strongly felt they shouldn't follow the regular municipal elections for the reason that, first, this is not a municipal structure.

Secondly, they desired to have an annual election of officers because it gave the inhabitants of that unorganized area the opportunity to assess the performance of the members of that board on an annual basis.

I don't have to tell you the problems—the small family problems, the political problems —that occur within a small, unorganized community. If this was checked and they had to appear before the electors of their unorganized areas on an annual basis, then of course they would be judged on their performance over the past year. I appreciate the member for Nipissing's support of this section.

Mr. Wildman: I understand what the minister and the member for Nipissing are saying with regard to this being a new structure and the need to give some kind of experimental period of time, but frankly we have no guarantee that in one year's time or two years' time we are going to be back here amending this legislation. To say, "Let's give it a chance and then we may change it"—I don't like to doubt the minister's word, I am not doubting his word, but we may get busy around here and we may not be debating local services boards.

When I look at the record this session I realize we have had a tremendous work load of very significant bills which we have de-

bated and one of them is the Local Services Boards Act. I wonder if in future we are going to have sessions where we have such a heavy work load. I think, frankly, once we do start doing some work around here—

An hon. member: He is being facetious.

Mr. Wildman: Yes, I mean that facetiously. Once we really do get some kind of work done around here, once we have a session where we are really dealing with important legislation—not that this is unimportant—when we are dealing with a long list on the Order Paper, this kind of legislation is going to be put on the back burner, and we may or may not see it back here.

Mr. Haggerty: It's been there now for four years.

Mr. Wildman: After all, it took the minister two years to get it into the House after my colleague from Sudbury East first suggested it. It took him two years. Why not give the boards two years?

Hon. Mr. Bernier: Let's get on with it.

Mr. Wildman: Frankly, I don't understand the argument that because this is a new structure we should only start out with one year. When you set up a new municipality—and I realize this isn't setting up a new municipality—you don't say, "This is a new municipality, so let's just have it for one year." They can have a two-year term at the beginning.

I agree with the suggestion that we must have flexibility. I think it is very important in this situation. Where you are dealing with very small communities and so on, you should have flexibility. But, as both members mentioned, we also need some continuity. With elections every year there may not be the desired continuity of membership and we may not have the resultant development of services which we would wish to have.

In no way is my amendment attempting to set up a municipal structure at all. This is simply to extend the term of office for the members of this board. I'm disappointed the other members have seen fit not to lend their support to it.

Hon. Mr. Bernier: Mr. Chairman, I think it has to be pointed out that I see no problem having an annual election of officers. If the members are performing, they will get re-elected and there will be that continuity of administration in the unorganized areas.

But I want to point out again, in the small-time, small-town politics that occur in unorganized areas, there will be a strong family, there will be a company-managed unorganized community, and if that local services board is not functioning to the real desires of all the people then they will have to wait two years until they get an opportunity to change the members of the board.

In the interests of the people living in unorganized areas and in response to their desire to have an annual election of officers I would encourage the members to support this section as it's written.

Mr. M. Davidson: In speaking to the amendment put forward by the member for Algoma I'm not going to pretend I'm fully cognizant of all the facts that relate to the type of board being established, nor am I going to suggest I'm looking at it in terms of a municipality. But in practical terms I've listened to the response of the minister and he has suggested that following the one-year term an assessment can be made of the performance of the people on this board and if they're not performing the people in the community will replace them.

Just as with any person who is newly elected either to this Legislature or any other form of governing body that may exist in our society, a board such as this cannot possibly gain the kind of knowledge on which one can make a judgement after a one-year period. I think the suggestion moved by the member for Algoma is such that it allows these people not only an introductory period into the type of board and establishment they are creating, but it is giving them the opportunity, past that introductory period, to show the expertise they have learned during that introductory period. They can then be properly assessed by the people within the communities they represent.

I think that's the intent of the amendment moved by the member for Algoma—the purpose that is there. I think it's only fair to the people who may in fact make up these boards that they be allowed that opportunity to gain some of that expertise and then show what they can do before they are assessed by the people they represent.

Mr. Deputy Chairman: All those in favor of Mr. Wildman's motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 5 agreed to.

Section 6 agreed to.

On section 7:

Mr. Deputy Chairman: Hon. Mr. Bernier moves that section 7 of the bill be amended by adding thereto the following subsection 1(a): "Where in the exercise of its powers a board provides a service the board may:

(a) provide the service to the whole of the board area or to one or more parts of the board area designated by the board; or (b) provide a differential level of the service to different designated parts of a board area provided that no fee shall be charged and no levy shall be imposed in respect of a service or a level of service in any part of the board area in which the service or the level of service is not provided."

[9:15]

Hon. Mr. Bernier: What this does, Mr. Chairman—and the member for Algoma made this comment during second reading of the bill—is to provide the board with the ability to assess a different level of service fee within the board's boundary.

In simple terms, if there is a specific area to which the local services board is providing, for example, a streetlight service, the board will charge the service fee to the people within the area being serviced by streetlights. The board will be allowed to exempt the people in the rural areas from paying this service fee so it can have different levels of service fees for designated areas.

I appreciate the member's comments.

Mr. Haggerty: To address myself to the amendment proposed by the minister, one area that is perhaps missing in the bill is that there is no appeal system to the local boards. Normally, if anything is being done under the Local Improvement Act the ratepayers still have an opportunity to appeal a decision of the elected officials. Under this act, there is no procedure for appeal.

On page four of the bill, in section 7(1), there is a provision that says, "A board may exercise the powers designated in the order of the minister. . ." Whether or not you are going to act as an appeal board, I don't know, but somewhere in this bill there should be an appeal system whereby if people object to a decision of the board they may have an alternative route.

Under the Corporations Act an appeal can be made to the Ontario Municipal Board, but here the property owners have no right of appeal whatsoever. This could create difficulties for a number of taxpayers in the area who could be burdened with additional charges they don't wish to assume. You did specify it might affect just a certain area, but I would like to see an appeal system included somewhere in the bill so the citizens have a right to appeal, either to the Minister of Northern Affairs himself or to some other body.

Hon. Mr. Bernier: I would point out to the member that section 7(2) states very clearly, "A board may at any time apply to the minister for a review of the powers being exercised by the board." Section 7(3) says, "The board may appoint such committees to advise it in the conduct of its affairs as the board considers appropriate."

So there is provision for an appeal to the minister if the conduct of the board is questioned.

Mr. Haggerty: As I interpret that section it is the board that at any time may apply for a review. It doesn't refer to ratepayer groups, the people who are going to be charged for the essential services that may be provided. The board may have the right to appeal to you for a review of their powers, but it does not give the ratepayer the right to appeal.

Hon. Mr. Bernier: The provision of the annual meeting is another check. This is why we're so hung up, if you wish, on the annual election of officers, so that they—

Mr. Haggerty: They can be turfed out.

Hon. Mr. Bernier: They can be turfed out, yes. The ratepayer can have his say at the annual election of officers, rather than wait two years as has been suggested. I guess the strongest way to do it is through the ballot box.

Again, this is not a municipal structure. I think the route we have established, with the checks by means of the annual meetings, is a very important one and one which will be safeguarded as the local services boards become established. They will want to keep that appeal procedure right to themselves.

Mr. Wildman: I want to commend the minister for seeing the wisdom of my amendment and his acceptance of it by proposing an amendment of his own to incorporate the proposal I made.

Seriously though, I am very happy the minister has recommended its incorporation into the bill, since there are some areas where you might have a local services board formed where levels of service in various areas may be required in different levels, depending on the concentration of population and so on throughout the board area. This makes that possible.

Also, as I understand it, it makes it possible for a board to limit a particular service to a particular area within its overall boundary. This is what I was aiming at in the amendment about which I previously informed the minister.

With that in mind, we would certainly accept the amendment of the minister.

In reaction to the comments of the member for Erie, I would say that later in the bill I will be moving an amendment which would make it incumbent upon the board to hold a vote whenever there would be a change in the powers exercised by the board, a recommendation to the minister that they be changed, or changes in the boundaries and so on. That way it would give the ratepayers, as you referred to them, the possibility of controlling the boards.

Hon. Mr. Bernier: Just to further allay the honourable member's concerns, section 16 of the bill clearly points out that "A board shall conduct sufficient public meetings so that the inhabitants may (a) participate in a discussion of the current and proposed programs of the board; (b) participate in the preparation of the annual estimates of the board; and (c) participate in a discussion of the annual audit report."

Those are the checks and balances in a small unorganized community. Coming from one, I know they love public meetings, so I think the atendance will be good.

Motion agreed to.

Section 7, as amended, agreed to.

Section 8 agreed to.

On section 9:

Mr. Deputy Chairman: Hon. Mr. Bernier moves that section 9(3) of the bill be amended by inserting after "a" in the third line, the word "public."

Hon. Mr. Bernier: This is a housekeeping amendment. It clarifies the bill and makes it broader, so the public can take part.

Mr. Deputy Chairman: Is it the pleasure of the House that the proposed amendment be adopted?

Mr. Wildman: We would agree with that. I had earlier indicated that I would move such an amendment and basically it's just housekeeping to ensure it's clear.

Motion agreed to.

Mr. Wildman: I have a further amendment to section 9(3).

Mr. Deputy Chairman: Mr. Wildman moves that section 9(3) of the bill be amended by striking out "and the provisions of subsections 2, 3, 6 and 7 of section 19 apply" in the fifth and sixth lines.

Mr. Wildman: As in the other amendments I proposed earlier, this is simply to bring this section in line with a further amendment I wish to make to section 19 which deals with the mode of election. And since this subsection refers to section 19, that is why I moved this amendment.

Hon. Mr. Bernier: Mr. Chairman, I'll be speaking to this section when we address the amendment the member has for section 19.

Mr. Deputy Chairman: Will we hold this matter dealing with subsection 3?

Section 9 stood down.

Mr. Deputy Chairman: What is the next section that anybody wishes to speak to?

Hon. Mr. Bernier: Section 17, I believe.

Mr. Wildman: Section 17, Mr. Chairman.

Sections 10 to 16, inclusive, agreed to.

On section 17:

Mr. Deputy Chairman: Mr. Wildman moves that section 17 of the bill be amended by striking out "or 19" in the second line.

Mr. Wildman: As in the others, Mr. Chairman, this refers to section 19 and the changes therein. This is to bring section 17 in line with the amendment I'm proposing in that other section.

Mr. Deputy Chairman: If we're agreed that otherwise section 17 is in order then we'll hold the vote on that until we deal with the amendment.

Section 17 stood down.

Section 18 agreed to.

On section 19:

Mr. Deputy Chairman: Mr. Wildman moves that section 19 of the bill be deleted and the following substituted therefor:

"(1) The second year after the board is elected, the ministry shall call and administer an election in the board area for the purpose of electing a new board.

"(2) The polling day for the election of a board shall be the second Monday in November in each election year unless the day falls on a holiday in which case the polling day shall be the next succeeding day that is not a holiday.

"(3) The ministry shall provide for each election at least one polling place that is central and convenient for the voting inhabitants and the polling place shall be open for the purpose of taking the poll at every election from nine o'clock in the forenoon until eight o'clock in the afternoon of the polling day.

"(4) At least two weeks before the election, the secretary shall post up notice of place, date and time of the election in at least six conspicuous places in the board area and shall send a copy of the notice by registered mail to the minister.

"(5) Any inhabitant is eligible to be elected as a member of the board.

"(6) Subject to the provisions of this act, the board shall determine all matters related to the conduct of election."

That's a rather long amendment. The minister, I assume, has a copy of it. Has the official opposition a copy of this? I will ask the member for Algoma to proceed with his explanation.

[9:30]

Mr. Wildman: I'm proposing a number of changes in this amendment.

One of the main concerns I have is the proposal in the bill that the inhabitants of a board area hold an election meeting is basically patterned after the local roads boards legislation and the mode of election they use. My concern with that is in many areas, but mainly over the fact that if a meeting is held at a particular time on a certain day, then an individual who happens to be away at that time of day, whether he is working on shift work or whatever, is effectively disenfranchised. That is a problem I see with the local roads boards in my area, which I don't want to see extended to local services boards.

It has been suggested to me that this could be avoided if the term "meeting" were interpreted widely to mean not necessarily a meeting in the traditional sense—that is, a group of people where the members or the inhabitants of the board area get together with the chairman running a meeting—but to mean something such as an all-day or two-day or three-day meeting. It could be very flexible.

If that is really what is being proposed, I don't think anyone reading this would understand the word "meeting" to mean that. If that is indeed what is meant then I would welcome the minister's making that commitment here and changing the bill, if he doesn't like my amendment, so that it will spell out that that is what in fact is meant by the word "meeting," namely that it would be very flexible and could encompass an all-day election, for instance, or longer if that were wished by the board area's inhabitants.

I really think the inhabitants of most unorganized areas of the province, although not all I will admit, do vote right now for the members of their local school boards and vote on a particular polling day and have an all-day election. They have a polling place where they go to vote for the trustees on the the area school board. It seems to me if that can be done in the unorganized area and is acceptable there, then surely it can be done for the local services boards.

I am a little concerned also with the proposal here that the chairman of the board should act as the chairman of the election. If he is running for re-election that would seem to be somewhat of a conflict. I have been trying to come up with an amendment. I thought perhaps we could have the secretary-treasurer act as an electoral officer and run the election, but then I saw that in some cases the secretary-treasurer may be an elected member of the board as well. That would also be a conflict of interest as far as I can see if that individual was running for re-election.

The question then arose, who would run the election if not the chairman or the secretary-treasurer? In this case, I looked at the situation with the local roads boards and found that the Ministry of Transportation and Communications, which assists those boards in their operation, administers their elections or at least assists in administering their elections and in some cases actually runs the elections.

Since this piece of legislation is under the aegis of the Ministry of Northern Affairs, I felt we could then use that example and make the Ministry of Northern Affairs responsible for assisting in the administration of an election. In that way you would not have any conflict of interest and you would ensure there would not be any concern over the fact that someone who might be running for re-election was involved with running the actual operation of the election.

A couple of other things. The reason I want to have polling stations and so on is not to make this complex and inflexible, as has been suggested, or to propose something that is going to lead to a municipal type of structure, but to ensure we have the basic tenets of our democracy followed in this election.

For one thing, it has been proposed if it were just an election meeting the members of the board or the inhabitants of the board area could vote by a simple show of hands if they so desired. Frankly, the battle over the secret ballot was fought in the 19th century and I don't think we should be fighting it again here.

This doesn't mean you are going to have to have printed ballots or the formal ballots you have in a municipal election or in a board of trustees election. You could simply have a situation where you have blank pieces of paper with a list of candidates shown in the polling station. The individual coming in to vote could simply write down the name of the person for whom he wished to vote, fold it and put it in the ballot box being used at the time. It is not to add a lot of expense or to make it too formal, but it

is to ensure the basic things we believe in, such as the secret ballot and the opportunity to vote, the franchise being exercised by everyone, is ensured for the inhabitants of the board area.

Those are the basic reasons for my amendment. I hope the minister and the members of the House would consider it seriously.

Hon. Mr. Bernier: I do appreciate the member's concern and I know both the member for Nipissing and the member for Algoma have expressed some concern with regard to the election, as has already been pointed out, with regard to the posting of notices. This amendment the member for Algoma has suggested again requires notice by registered mail and a number of things we have already debated.

I think it is fair to say this amendment, as presented, would erode certain basic principles of the legislation; the flexibility of the Local Services Boards Act, the simplicity which I have spoken to at great length and, of course, local control. If we went this particular route, it would be more structured, much more like Bill 102—the illigitimate son, as the honourable member mentioned.

Mr. Martel: Oh, come on, bastard son.

Hon. Mr. Bernier: Bill 102 was very structured and we kept away from that in drafting this bill.

As I stated many times, Mr. Chairman, the Local Services Boards Act is a non-municipal option. We don't really think it is necessary to have a polling day per se in a November election, as suggested in this section.

If the members have looked at the bill, they noticed the annual meeting shall be held between August 1 and the end of September, and the budget should be prepared at a certain time, by December 1. There is a reason for that. If you want to piggy-back on the provincial land tax for their assessment, it has to be into the Minister of Revenue's computers by that time.

The dates look odd. I realize that. They are not the calendar year, nor a normal fiscal year as we know it in government, but nevertheless they are designed to facilitate the options of the local services board. This is why they were put this way.

I appreciate the members' concern—so much so that I have an amendment to section 19. I would like to send the member for Algoma and the member for Nipissing a copy.

Mr. Chairman: Hon. Mr. Bernier moves that section 19(7) of the bill be struck out and the following substituted therefor:

"(7) For all elections after the first election, the board shall, subject to subsection 8, determine all matters relating to the conduct of elections."

Hon. Mr. Bernier: Both members were referring to subsection 8. I agree with them and am pleased to add it to the amendment.

Mr. Chairman: Hon. Mr. Bernier further moves the addition of subsection 8: "Voting for the election of members of the board shall be by way of secret ballot."

Hon. Mr. Bernier: I think that's very basic and simple, but as the honourable members have pointed out, in small unorganized communities we know there can be company-owned-and-operated communities and many times a show of hands puts an individual in an embarrassing position. He may want to express himself in a particular way but because of his superiors or his peers possibly running for election or being in the meeting hall he is reluctant to do so.

I accept the honourable member's suggestion and I make these amendments and would hope they would support me in our efforts to make this bill as democratic, as simple, as flexible and as effective as we can.

Mr. Wildman: Mr. Chairman, on a point of order, I think you will find the amendment I moved is already on the floor. I believe the minister, in making his statement and reading his amendment, was attempting to indicate that if my amendment were defeated his amendment could then be put. I would think we are still debating my amendment which is already on the floor.

Mr. Breithaupt: Mr. Chairman, maybe you would ask if the member would prefer to withdraw his amendment at this point, or would he prefer to have it voted on and then deal with the minister's amendment?

Mr. Wildman: Mr. Chairman, I would be willing to respond to the minister's comments on my amendment as it relates to his proposal, but I would prefer to have my amendment voted on. I am sure the minister's amendment will be redundant since mine will pass.

Mr. Chairman: Order. Just as the honourable member was rising, I was correcting the comments made by the minister. I was going to suggest that we should complete the amendment because the further amendment really doesn't amend the new amendment. Therefore, I think it would be in order if we dealt with the amendment placed

by the member for Algoma first. We still can go back and place the other amendment.

Are there any further comments on the amendment by the member for Algoma?

Mr. Bolan: Yes, just one comment on the amendment put forward by the member for Algoma. In view of the fact the government will be introducing the amendments which the minister has referred to, we will not be supporting the amendment of the member for Algoma.

My concerns are cleared somewhat by the proposed additions of subsections 7 and 8 to the existing section. We will not be supporting the amendment of the member for Algoma.

Mr. Wildman: I am, to say the least, somewhat disappointed. I will admit the minister has obviously listened to the arguments I put forward and in doing so has therefore come up with his amendment.

I agree with the member for Nipissing that section 24 is the most important one and the one we will be having the greatest deal of debate about. However, in relation to the minister's comment that my amendment would require further registered mail, that is true, but only registered mail to the minister—one letter.

I don't think this amendment would make the procedure too complex. I have perhaps a little more confidence in the people who live in unorganized communities than the minister has. I think they can understand my amendment. I don't think it is too complex for them to understand how an election can operate. I think they should be able to understand this and operate it quite well. I don't think we should be so paternalistic as to say this is too complex for them and we must make it simple.

The operation of this bill I suppose is on the basis of KISS—keep it simple, stupid. Perhaps, but I think that can be carried a little too far.

[9:45]

To say this is Bill 102 over again, since it is more structured, is to ignore the fact that the minister himself has been emphasizing all along that this is indeed permissive legislation. We are not imposing this on anyone. They can choose to form a board or not form a board. This, again, is not a municipal structure that is being imposed.

I agree that in providing for a secret ballot the minister has recognized the need for that basic tenet of our democracy. It will deal with the problem of a small unorganized community where often one company may run a town and if an individual had to vote by a show of hands he might be intimidated by a superior who wished for someone to be elected other than the individual for whom the resident wished to vote.

I don't think the minister's amendments cover the whole thing, as I suggested, but at least they will provide more flexibility. If the Liberal Party has decided not to support my amendment at least the minister's amendment is, shall I say, a quarter of a loaf and that may be better than half a loaf.

Hon. Mr. Bernier: If I may just sum up, I would remind the honourable member that section 19(7) clearly points out, "For all elections after the first election, the board shall determine all matters related to the conduct of elections."

So they have the flexibility after the first election. If they want to have an all-day polling session, if they want to do certain things you spelled out, I am sure many of the people who will be going into the local services board will read the debates of tonight and that will be clearly indicated to them.

Mr. Chairman: All those in favour of Mr. Wildman's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negativated.

Mr. Chairman: All those in favour of Hon. Mr. Bernier's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Section 19, as amended, agreed to.

Sections 20 to 22, inclusive, agreed to.

On section 23:

Mr. Martel: The other evening when I spoke on this bill, I asked the minister to explain to me what I perceive as a discrepancy. I was just talking to my friend, the member for Nipissing, and I believe he has the same understanding of what is happening in sections 23 and 28, because 23—and let me go over it again carefully—says: "(1) Before the first day of December in each year, the board shall prepare and, after public discussion, adopt annual estimates of all amounts required for the purposes of the board for operating and capital expenditures for the current fiscal year.

"(2) In preparing the estimates, the board shall take into account any surplus from the previous year that will be available in the current year, any operating deficit from the previous year and any debt owing to the crown . . ."

Section 28 says, "A board shall not incur any debt, except a debt owed to the crown in right of Ontario, the payment of which extends beyond the term of office of the board."

That seems to exclude, as I read it anyway, the possibility of a service board running up a debt one year beyond their term, which itself is only one year, except if that debt is owed to the crown. As I read section 28 it says if it is not owed to the crown they can't do it beyond the one year, or the term of office. I just think the two things are contradictory.

Maybe the minister can indicate to me where I am interpreting this wrongly, or indicate if he is prepared to put section 28 in somewhat different language to make it read that they could carry a debt beyond the one year if it's not a debt incurred by the crown and for which we pay to the crown the carrying of that debt.

I simply think that it's wrong. Maybe I'm misinterpreting it but as I said, my friend from Nipissing is going to speak to it and he interprets it in somewhat the same way. I think that has to be clarified in the bill either in section 23—and I raise it now—or in section 28, in which case we should have some assurance that the minister will clarify it. As I said the other night, I think it's contradictory. Maybe I'm wrong. Maybe he can give me an explanation and I await his words of wisdom.

Hon. Mr. Bernier: Mr. Chairman. I'm always pleased to exchange words of wisdom with the member for Sudbury East.

He makes a point; he has some difficulty in rationalizing sections 23 and 28. I know they may appear to be contradictory but really they are not because there could be an operating deficit carried over from the previous year because of—as an example—non-payment.

Section 28 clearly states that there will not be a carry-over of capital debt. That's what we're referring to there. Of course, that would be owing to the crown. So that is the differential.

Mr. Martel: It doesn't say that in section 28 and therefore the problem exists. It doesn't say capital debt.

The minister will recall I worried about building. Let's say a municipality decided to go on its own with a municipal water works. That would be a capital debt one could go beyond, but if it had to be done in one year it couldn't be done. We all know that.

It doesn't say that in section 28 and that's why I suggest to the minister that he has to change one of the two. He has to clarify section 28, I think, to make it read that way. As it now stands, that section doesn't give that impression and I wouldn't want to leave it there because we could get an interpretation eventually that could say "no, you can't proceed because it's not in the act."

I'm sure the minister agrees that somewhere down the road someone might give him a wrong interpretation of that. I would ask the minister to bring in an amendment to clarify that section.

Hon. Mr. Bernier: Mr. Chairman, as the honourable member knows, local services boards cannot borrow except from the province. Now there could well be an operating debt carried over from year to year. Section 28 prohibits the carrying over of an operating debt.

In other words, the new board coming into place will have to include that amount in their next year's budget so that there is no carryover for it. The only debt they could have is to the crown, which is clearly spelled out in section 8. It may seem a little confusing but it's as clear as I can put it, that there may be that operating deficit which has to be picked up in the succeeding year and included in their estimates to us. All they can carry under these two sections is a debt to the crown. That's all they can carry forward.

Mr. Martel: Surely the minister agrees then that if that's what he's implying, if that's what he wants then there must be a way of clarifying that in the act so that the act states specifically what he intends it to mean.

To simply say it, leaves it wide open to misinterpretation. I would ask the minister to have his staff draft something that says what he has told me across the floor. Maybe I'm wrong and I yield to my friend from Nipissing, who's a lawyer. He might give the minister what he perceives is a legal interpretation of what's there. I'm sorry, but I just don't see it as that.

Hon. Mr. Bernier: My legal staff have gone over it, since the member made the comment during our earlier discussions in the House on second reading. We carefully reviewed the member's comments and we are satisfied from the drafter's point of view and the legal point of view that we have his fears covered; the problems to which the member relates are carefully considered in these two sections. I assure him of that.

Mr. Bolan: Correct me if I am wrong in this, but are you saying a local services board cannot contract, except with the crown, for services beyond one year? Is that what you're saying?

Hon. Mr. Bernier: Yes.

Mr. Bolan: Let me put this proposition to you. Let us suppose a local services board enters into a five-year contract with an adjacent municipality for firefighting services or equipment. Are you saying, first of all, if the local services board does not meet its yearly obligations to that adjoining municipality, the municipality is precluded from attempting to collect from the local services board which entered into that particular contract for payment of that particular service?

Can you really envisage a situation with local services boards, where in many instances they wouldn't even be able to afford one lamppost for one year, getting involved in a contract which really would require an expenditure over three to five years or longer with an agency other than the crown? How are these local services boards expected to operate on expenditures for long-term contracts with agencies other than the crown? How can you expect local services boards to enter into water contracts, lighting contracts or garbage contracts when the very nature of the contract may call for it to go beyond the one year?

How can you expect them to operate unless it is for more than one year? Right now, from the way you have explained it, it means a local services board cannot contract with any agency other than the crown beyond a period of one year. I say to you that is impracticable and impossible. I cannot envisage a local services board being able to get into that kind of contractual arrangement for the provision of certain services, unless it is for a period beyond one year. In many instances, services can be provided at a much better rate if they are for a long period of time rather than for just one year.

I am not satisfied in my own mind, and I am sure the member for Sudbury East is not satisfied, with the explanation you have given. What you seem to be saying is: "Yes, maybe in a behind-the-scenes type of thing you can enter into a contract beyond one year. What you would do for the ensuing year would be to add, as part of your estimates, the second-year costs of operation." Is this what you are suggesting? Are you suggesting for one minute that local services boards be enticed into entering into contracts which, according to the interpretation of the statute, would be void beyond one year?

The local services boards simply would not be able to operate beyond that one-year term; yet the service may have been provided by whatever the agency may be. I am not satisfied with your explanation. I think before we can go any further with this, something a bit more definitive should be given on the length of the contract.

Hon. Mr. Bernier: There is certainly some misunderstanding as to the thrust we are taking here. I think you fail to recognize the local services board sets up a structure whereby it can assist in the operating of those services. They can assess. We share 50-50 on that basis.

[10:00]

When it comes to the capital side, they can borrow or we'll give them grants from the Isolated Communities Assistance Fund, for a percentage of the cost. There may be a repayment structure we'll get involved in, or they'll repay a portion of it. I don't know what that will be. Their capital debt will be to the province. That is all they can carry from year to year.

There may be the odd occasion when they send out their assessments. Provincial land tax is an example, where for two or three years those funds have not flowed, so they have a deficit on the operating side. Then they have to pick that up in the next year. That is clear to me.

I fully agree with the member for Nipissing that there would be certain advantages for long-term contracts. They can do that. They can enter into a yearly contract with the adjacent municipality for services to be renewed every year. Don't forget we have an annual election of the municipal services boards members. We have the annual audit. Each year they have to apply for assessment out of the provincial land tax by a specific time for operating funds to flow. It's very clearly spelled out.

I fail to realize the problem the member is seeing here. I assure him the checks and balances are there. They borrow the capital to submit funds, but there cannot be a continuing operating deficit from year to year. That has to be picked up each year.

Mr. Martel: Would the minister point out where it says in section 28 "capital debts," that volume. Tell me where it is; show me. I think I can read. I can't find where it says "for capital expenditures." I just can't. Maybe the minister could point it out to us.

Mr. Bolan: Maybe he can.

Mr. Martel: If the minister can show me where it means that, I will sit down. If he can show me what spells that out, I will sit down. But show it to me. But he can't find it there.

Hon. Mr. Bernier: If it would be clear to the honourable members to add the words "except a capital debt owed to the crown" I

would accept that, if it would clarify it in their own minds. I'm prepared to make that amendment. "The board shall incur any debt, except a capital debt owed to the crown." That clarifies it. Is that agreeable.?

Mr. Breithaupt: Perhaps the chairman could put the other section before that.

Mr. Chairman: Shall sections 24 to—

Mr. Wildman: No.

Mr. Chairman: Section 23?

Mr. Breithaupt: Before we get to that point, could we agree as to just what the amendment is that the minister is about to propose, so the members would know just what has been agreed to?

Mr. Wildman: On a point of order: I would be prepared, since my amendment to section 19 did not carry, to withdraw my proposed amendments to section 9(3) and to section 17, since they were housekeeping, to bring them in line with the amendment to section 19.

Mr. Chairman: Whereas Mr. Wildman has withdrawn his amendments to sections 1, 9 and 17—

Mr. Wildman: To sections 9 and 17.

Mr. Chairman: Sections 9 and 17. Not section 1.

Sections 9 and 17 agreed to.
Section 23 agreed to.

On section 24:

Mr. Chairman: Mr. Bolan moves that section 24 of the bill be deleted and the following substituted therefor:

"The minister shall pay to the board annually out of moneys appropriated therefor by the Legislature an amount that is equal to twice the total amount of moneys paid to the board by the Minister of Revenue under section 26, the amount that the rate or rates levied under section 26 would produce if levied in respect of the improved crown land within the board area, the fees collected by the board for the supply of services, or the use of facilities in such other amounts as by the initiatives of the inhabitants have been raised and granted to the board."

As I read through that amendment, I feel I have to refer to standing order 15 which states that there must be "a message from the Lieutenant Governor, and shall be proposed only by a minister of the crown" and therefore I would have to rule this amendment out of order.

Mr. Bolan: May I speak on that?

Mr. Wildman: The minister will accept it though, surely.

Mr. Chairman: The member can challenge my ruling.

Mr. Bolan: I want a right of appeal without challenging the Chairman's ruling. Is that the order, Mr. Chairman?

Mr. Chairman: I ruled it out of order.

Mr. Bolan: Without hearing reasons why it should not be ruled out of order?

Mr. Chairman: I did.

Mr. Bolan: In other words, "tilt".

Mr. Wildman: Since the chair has ruled that amendment out of order, I would indicate I have an amendment I would like to put on subsection 2.

We've made the arguments all along, Mr. Chairman, that the one-for-one formula is completely inadequate and we can't accept it. But since you've ruled that out of order, if subsection I were to carry, I have an amendment for subsection 2.

Mr. Chairman: I'm sorry, I was somewhat interrupted there.

Mr. Wildman: I think all members on this side of the House believe and if some members on that side of the House were to have their druthers they would agree, and perhaps the member for the northern Vatican would agree, that the one-for-one formula is completely inadequate and it should be increased. Since that's been ruled out of order, Mr. Chairman, if subsection 1 carries, I have an amendment for subsection 2.

Mr. J. A. Taylor: It should be two for one and one for all?

Mr. Chairman: Does the member for Sudbury have any comments on that?

Mr. Germa: It's unfortunate you had to find this motion out of order. I think the minister might even be enticed into overruling the chair if he realized the potential this would have.

Mr. Chairman: I gave a ruling on that.

Mr. Germa: I'm not speaking to your ruling. I'm not challenging your ruling, Mr. Chairman.

Mr. Wildman: He's just asking the minister to change his mind.

Mr. Germa: I'm not challenging your ruling whatsoever, Mr. Chairman. I accept it. It is an expenditure of money and it has to be addressed by the government, but the government has the power to make that point.

Hon. Mr. Bernier: We haven't voted on it.

Mr. Germa: If the minister would realize the great potential there is in the amendment,

he might intervene in the affairs of the House because this is the destructive part of the bill. This is where the minister gets the opportunity to deliver moneys, and you know the pleasure the minister has when he delivers any goodies or gifts to northern Ontario.

Hon. Mr. Bernier: Jealousy will get you nowhere.

Mr. Germa: This could even be a bigger promotion than when he delivers fire packs or fire trucks. He could put on his hard hat again and his bush boots and his shirt and come charging down the bush road into the community with this cheque from consolidated revenue, and by doubling the amount of the cheque, the impact would have double the political effect.

There is a benefit that the minister might consider, because he does make a lot of impact when he comes into our small communities in northern Ontario with these gifts and goodies.

Mr. Martel: With his Santa Claus suit.

Mr. Germa: And his Santa Claus suit with the fire pack.

So why does the government not consider this as to its benefit? It will have some benefit, of course, to the municipality or to the settlement involved, but that benefit will be minimal compared to the benefits the minister will get because he could play this up to the hilt; he is an expert on this and to that point then I would ask the minister—

Mr. Makarchuk: The minister has been practising for many years.

Mr. Germa: Just think of the impact it would have if he could entice the Premier to come up into this little mining camp with his hard hat on, and that would really sew you up politically. Maybe between the Premier (Mr. Davis) and the minister, both of whom are here and supportive of this legislation, they might intercede.

VISITORS

Mr. Chairman: Just before I recognize another member, I would just like to inform the committee that we have five visitors in the Speaker's gallery. They are all ministers of community and social services from other provinces.

There is the Honourable Leslie I. Hull of New Brunswick, the Honourable Thomas Hickey of Newfoundland, the Honourable James M. Lee of Prince Edward Island, the Honourable Laird Stirling of Nova Scotia, and the Honourable Tom Sindlinger of Alberta. Would you welcome them.

LOCAL SERVICES BOARDS ACT (continued)

Mr. Bolan: I presume, Mr. Chairman, that we are still debating section 24(1), are we not?

Mr. Chairman: That is right.

Mr. Bolan: I might say, Mr. Chairman, that the speech I am about to make has been made many times by myself; it has been made several times by other members on this side of the House, but we are going to try to drum it into the minister's head once again, that what this section does, really, is to seed the destruction of the local services boards.

The minister may recall that when this white paper or blue paper, or whatever it is called, was first released to all of Ontario for all of the members to see, it was quite obvious that what was proposed was a dollar-for-dollar matching agreement. That is to say, for every dollar that was raised by every unorganized—

Interjections.

Mr. Chairman: Order. Things were quiet here for a while but they seem to be getting a little out of hand.

Hon. Mr. Bernier: If this particular section is contrary to standing order 15, I would question the member's right to debate the issue. There is no debate, as far as I am concerned; it is against standing order 15. The Chairman has so ruled.

Mr. Martel: He ruled that you couldn't move an amendment, he didn't rule that we couldn't debate the matter and in clause-by-clause discussion we can say whatever we want about a section, as long as we are dealing with the section. We respect the chair's ruling. We accept the ruling that there couldn't be an amendment, but that doesn't deny the right of the members to speak to that particular item.

Mr. Bolan: Mr. Chairman, again your decision is another stroke for democracy which I believe tries to give to the honourable members the right to speak, although the minister does not seem to want that at this time. I can understand why the Minister of Northern Affairs was rather reluctant to discuss this section of the bill, because really this is the guts of the bill. It is this section of the bill which really will put into operation the whole concept of the local services boards. Again, I can understand why he is reluctant even to want to discuss it because he is ashamed he cannot convince his colleagues in cabinet, his colleagues on that side of the House—

[10:15]

Mr. Chairman: Order. There are a great number of private conversations which are quite noisy.

Mr. Bolan: Thank you very much, Mr. Chairman. The minister is not able to convince his colleages in cabinet, and his colleages on that side of the House, that what is really needed to make the local service boards work is funding on a better basis than that which is proposed through the legislation. What is proposed through the legislation is something that no individual within a local services board can look at and identify as something which he knows he is going to receive for his contribution.

In other words, you are not putting in legislation which you talked about for four months when you went around northern Ontario advocating acceptance of this bill in unorganized communities. At that time, Mr. Minister, you went to some of the meetings yourself and the selling feature of the bill is that for every dollar that was raised by the unorganized townships, by the local services boards. the government would put in a matching dollar.

I accept that. The people in the unorganized communities accepted that as well. That being the case, why don't you incorporate it in legislation? One step further, why don't you try to equate it at least to the local roads boards which, as you know, provide for funding on a two-to-one basis?

When a local roads board in an unorganized township determines or decides it is going to make certain improvements to its roads, it knows for every dollar it raises that it is going to get two dollars in return from the Ministry of Transportation and Communications.

The local services board for that particular unorganized township, which may be trying to improve its lighting service or water service, doesn't know what it has to raise and doesn't know how much money is going to be paid to it by the province. They are relying on the whimsical demands of the Minister of Northern Affairs because there is nothing in the bill, there is nothing in the section, which identifies how much money they have to raise to get a project under way.

I am quite certain you may be very well-intentioned when you say, for example, "that the minister shall pay to the board annually out of the moneys appropriated therefor by the Legislature such amount as he considers appropriate." Such amount as the Minister of Northern Affairs considers appropriate. What determines appropriateness? Is it the size or the depth of the pork barrel? Of course not. We, on this side, would never suggest for one moment that this cynical government engages in cynical pork-barrelling. We would never do that. Basically, what you are left with is this—

Hon. Mr. Bernier: You are giving yourself away.

Hon. Mr. Davis: I get the impression you are going back to practise law.

Mr. Roy: Whatever gave you that impression?

Mr. Bolan: You are left with the rule of man as compared with the rule of law. The people in the unorganized townships don't know what the law is because the minister doesn't spell it out.

Hon. Mr. Norton: He doesn't spell what out?

Mr. Bolan: As far as I am concerned and as far as this side is concerned, it's a very simple thing for the minister to do. If he really believes in helping the unorganized townships of northern Ontario, why doesn't he put into legislation what he and all of his information officers or whatever they are called did, by going around northern Ontario and by saying, "Look, if you want to go to this place and raise so many moneys baking tarts or baking bread or whatever the case may be, then for every loaf of bread you are going to bake and are going to sell and make a dollar, the minister will pay you a dollar in return." But the legislation does not say that.

Hon. Mr. Bernier: I say that.

Mr. Bolan: That's the problem. That is the weakness of the bill and that is what is going to sow the seeds of destruction of the local services boards. It is going to be the manipulation by the rule of man as compared to the rule of law. For some reason or other, on that side they still do not understand what is the rule of law as compared to the rule of man. They have been trying over the past 36 years to manipulate the people of Ontario into believing that what they do as individuals and what they do under the guise of the rule of man is better than the rule of law.

Mr. Makarchuk: Or under the table.

Mr. Bolan: Under the table is right. It's the pork barrel. Isn't that exactly what it is when we get right down to it? Mind you, as I said earlier, I would not go across this province and claim this government engages in pork-barrel legislation—of course not.

Hon. Mr. Pope: That's what you feel though.

Mr. Bolan: That would be a slur against my colleagues on the other side. But then

we have to look at it this way though: what will the people in the community think? Not only must justice be done, but it must appear that justice is being done.

Hon. Mr. Norton: Who told you that?

Mr. Makarchuk: That was coined by the Minister of Agriculture and Food (Mr. Henderson) no doubt

Mr. Bolan: How can it appear that justice is being done when we have this kind of legislation where an individual, like the minister himself, has said he is the one who is going to determine how much money each municipality is going to get? I say to the minister, with the greatest of respect, that is the weakness of the bill and that is the weakness of the government because the minister doesn't have the guts to put down what he said earlier this year.

If these local services boards are that important to him, because I know they are very important to the people of UCANO, then he should put into writing precisely how much they are going to get.

Mr. Deputy Chairman: Could I have the attention of the House for just a moment? I understand it is the wish of the House leaders to vote on the amendments that are at present before us that have been stacked. It does not appear to me as though we will finish or complete the consideration of this bill this evening.

Hon. Mr. Bernier: Oh, I am sure we will.

Mr. Deputy Chairman: I know the minister has a few more amendments to make for example, to section 35. I think we should perhaps consider we have gone as far as we are going this evening. Are there more amendments to section 24? I understand there are. The minister may wish to make a reply to the first part of 24. I think we should at this time call for the vote, if the House leaders and other members of the House are agreed.

There is an amendment to section 3(4)(d) I understand the member for Algoma has not withdrawn his motion for an amendment to section 1. That has some consideration on something he has yet to bring forward. Is that right?

Mr. Wildman: Yes, Mr. Chairman, it relates to section 29.

Mr. Breithaupt: I think we have agreed, Mr. Chairman, that that would stand over until the end of the vote.

Mr. Deputy Chairman: All right. We will hold over section 19. With the agreement of the House, I will now put the only motion I understand is still before us.

All those in favour of Mr. Bolan's amendment to section 3(4)(d) will please say "aye."

All those opposed will please say 'nay."

In my opinion the nays have it.

Motion negatived.

On motion by Hon. Mr. Bernier the committee of the whole House reported progress.

Hon. Mr. Bernier: Mr. Speaker, a point of privilege: During the last two and a half hours we have had the privilege of having in the Speaker's gallery the members from UCANO West and UCANO East.

This is the third time this group has come down from northeastern and northwestern Ontario to hear the debates on Bill 122. They came here tonight in the hope the bill would be passed and they could go back to northern Ontario and crank up the mechanism that would put into place a piece of legislation that would serve the unorganized commities of northern Ontario.

I regret it didn't happen, Mr. Speaker—

Interjections.

Hon. Mr. Bernier: —but I just wanted to point out that they are here in the gallery and I know you want to recognize them.

Mr. Speaker: Does the member for Nipissing want to speak to the alleged point of privilege?

Mr. Bolan: Yes, I do, Mr. Speaker, and the alleged point of privilege is this: The last time the members from UCANO were here we were prepared to pass second reading of the bill, until the long-winded Minister of Northern Affairs got into the act and caused it to be put over until today.

Interjections.

Mr. Speaker: Order.

STANDING RESOURCES DEVELOPMENT COMMITTEE

Hon. Mr. Wells: With the consent of the House, I would like to ask that we consider government notice of motion 9, standing in my name, which concerns the debate on the report from the resources development committee for Thursday evening. I thought if we had unanimous consent we could have the passing of this motion.

Mr. Speaker: I didn't hear unanimous consent.

Hon. Mr. Wells: I didn't hear any objections, sir.

Mr. Martel: I spoke to the government House leader a few moments ago about this, and I am not sure precisely what he is asking us to do now. If he wants simply to move

that and indicate that Thursday night we will debate this, and clarify that we are debating on Thursday next the two sections of that first report, that's fine; but I am not sure what it is the minister is asking the House at this time. Maybe he would elaborate.

[10:30]

Hon. Mr. Wells: Mr. Speaker, the motion which stands in my name is a motion to split the report, as decided by the parties in this House, so we would debate half of the report from the standing resources development committee this Thursday, and leave the other half of the report for debate later on. Without this technical motion being passed, we will be debating all of the report on Thursday evening.

Mr. Breithaupt: Mr. Speaker, with respect to the suggestion made by the government House leader, we're prepared to accept the motion at this point so we will, in fact, have something to debate on Thursday evening.

Mr. Speaker: I hope this won't be taken as a precedent, because we actually need a motion to sit beyond 10:30 p.m.

Mr. Martel: It's only 10:30 p.m. now.

Mr. Speaker: If it will not create a precedent, I'll allow you to put your motion.

Hon. Mr. Wells: Thank you, sir, I had hoped I had stood up before 10:30 p.m. but I apologize to you if I didn't.

Hon. Mr. Wells moved resolution 9:

That the order for adoption of the final report of the standing resources development committee on acidic precipitation, abatement of emissions from the International Nickel Company operations at Sudbury, pollution control in the pulp and paper industry and pollution abatement at the Reed paper mill in Dryden be discharged and the following two orders substituted therefor: (1) motion for adoption of parts one and two of the final report of the standing resources development committee on acidic precipitation, abatement of emissions from the International Nickel Company operations at Sudbury, pollution control in the pulp and paper industry and pollution abatement at the Reed paper mill in Dryden; (2) motion for adoption of parts three and four of the standing resources development committee on acidic precipitation, abatement of emissions from the International Nickel Company operations at Sudbury, pollution control in the pulp and paper industry and pollution abatement at the Reed paper mill in Dryden.

Motion agreed to.

The House adjourned at 10:30 p.m.

CONTENTS

Tuesday, November 13, 1979

Ministry of Natural Resources report 4443

Local Services Boards Act, Mr. Bernier, second reading 4443

Bill 122, in committee 4449

Report, standing resources development committee, Mr. Wells 4465

Adjournment 4466

SPEAKERS IN THIS ISSUE

Ashe, G. (Durham West PC)
Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)
Bolan, M. (Nipissing L)
Breithaupt, J. R. (Kitchener L)
Conway, S. (Renfrew North L)
Davidson, M. (Cambridge NDP)
Davis, Hon. W. G.; Premier (Brampton PC)
Edighoffer, H.; Chairman (Perth L)
Germa, M. C. (Sudbury NDP)
Haggerty, R. (Erie L)
MacBeth, J. P.; Deputy Chairman (Humber PC)
Makarchuk, M. (Brantford NDP)
Martel, E. W. (Sudbury East NDP)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
Pope, Hon. A.; Minister without Portfolio (Cochrane South PC)
Roy, A. J. (Ottawa East L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Taylor, J. A. (Prince Edward-Lennox PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)

Ontario

No. 108

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, November 15, 1979
Afternoon Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.



LEGISLATURE OF ONTARIO

THURSDAY, NOVEMBER 15, 1979

The House met at 2 p.m.

Prayers.

LEGISLATIVE PAGES

Mr. Speaker: Tomorrow is the last day of its term for the present group of legislative pages, and it's customary to have their names read into the record for posterity and for the benefit of all involved. I will now read their names into the record.

Laura Baird, from Welland-Thorold; Douglas Brown, from Durham East; Patrick Carter, from York North; David Caswell, from Cochrane South; Sarah Cheetham, from Armourdale; Raymond Dorey, from Kingston and the Islands; Timothy Fairhead, from Chatham-Kent; Susan Farrow, from Renfrew South; Jude Fernandes, from Mississauga North; Ronald Goodhand, from Lambton; Laurie Hildebrandt, from Renfrew North; Margaret Holbik, from Lake Nipigon; Caitlin Imrie, from Ottawa East, Christine Maathuis, from Ottawa South; Tena Moore, from London North, Tracey Nesbitt, from Victoria-Haliburton; Margaret Payne, from Windsor-Walkerville; Gregory Reynolds, from Wellington-Dufferin-Peel; Peter Saranchuk, from St. Catharines; Paul St. Amour, from Scarborough Centre; Julie Starratt, from Scarborough-Ellesmere; and Rainer Vietze, from Wellington South.

Would you join with me in thanking them for their service to this House.

MISSISSAUGA TRAIN FIRE

Mr. Cassidy: Mr. Speaker, on a point of order: In view of the very substantial public concern about the chlorine still in the air in Mississauga and the dangers there, I would like to ask if there will be a statement from the government, before we begin questions, about what is happening, what is likely to happen, and what dangers there may be to individuals from current or prospective emissions in that area?

Hon. Mr. Timbrell: Mr. Speaker, as one of the ministers involved in supporting my colleague the Solicitor General (Mr. McMurtry), my understanding is that he is on the site and that any report would come from him as the lead minister in all of this. But at this point, he's out there; I'm not sure whether he's going to be here for question period today.

ORAL QUESTIONS

TEACHER-BOARD DISPUTES

Mr. S. Smith: I have a question of the Minister of Education, Mr. Speaker. Is she prepared to introduce legislation calling for compulsory arbitration in the case of the Brant county elementary school strike so that innocent children will not have to be the victims of yet another strike as was the case of the elementary students in Peel? Will she act now, or will we have to go through another situation of the kind we have had before?

Hon. Miss Stephenson: Mr. Speaker, the provisions of Bill 100 developed a procedure which the school boards and the teaching federation are required to follow in order to attempt to reach a negotiated settlement.

If there were indications from either side in the situation in Brant county that arbitration would be the appropriate answer at this time, I would be very happy to refer that to the Education Relations Commission for its serious consideration. We have no such indication at this point. Under the terms of Bill 100, I must abide by the legislation and rely upon the Education Relations Commission for its careful monitoring of the situation and for its advice, which I'm sure will be forthcoming on a regular basis.

Mr. S. Smith: By way of supplementary: Why does the minister continue to countenance the situation in strike after strike, and make her various remarks about our position on getting rid of the right to strike and the right to lock out in the school systems of Ontario, when her parliamentary assistant has gone on record, according to the Mississauga Times of Wednesday, November 7, as saying as follows:

"Mississauga South MPP Douglas Kennedy said this week he doesn't think teachers should have the right to strike. 'There's got to be a better system,' said Kennedy, who is Stephenson's parliamentary assistant on education. 'The children are the ones that suffer.' "

Do I take it that the minister reserves for her own parliamentary assistant some of the choice adjectives she applied to me and to this party when we said the same thing? What is she going to do about the reasonable recommendations made by her own parliamentary assistant?

Hon. Miss Stephenson: The Leader of the Opposition knows full well that there is a piece of legislation in existence which I believe was initiated first by the activities of the former leader of the Liberal Party in this province who expressed very real concern about the situation within the educational system before 1975. There was all-party support of that piece of legislation and, after four years of the existence of that piece of legislation, I have made the decision that it requires review. That review process has been set in motion.

I will not prejudge the wisdom, the knowledge and the experience of those objective observers and examiners who will be looking at the legislation with the assistance of all people who are involved in educational negotiations, including the parents and the students.

I do not believe that we should presume in any way to make judgements before that review is completed.

Mr. Nixon: Supplementary, Mr. Speaker: Does the minister's intransigent position mean that the strike will have to go on for the customary three weeks before the Education Relations Commission will even give consideration to a recommendation that the students' welfare is being negatively affected by the closing of the schools?

Hon. Miss Stephenson: Mr. Speaker, I do not believe there is any rigidity related to the administration of that bill. If the members of the Education Relations Commission, on the basis of their careful monitoring, suggest there needs to be action taken at some point, at any point within the term of the current dispute, I will most seriously consider it and ask my colleagues to consider it as well.

The position could not be described as intransigent. We are simply attempting to make a piece of legislation work which the honourable member himself supported strongly when it was introduced four years ago.

I recognize that there are some difficulties with that legislation, which was the reason for initiating the review, and that review must be completed first.

Mr. S. Smith: May I ask a supplementary? Since the parliamentary assistant to the minister must represent her on occasion when she cannot be present, can the minister explain to us what kind of answer her parliamentary assistant will give when asked about his opinion on teachers' right to strike? Will the parliamentary assistant say what he honestly believes or will he say what the minister tells him to say? Which of the two, the minister or her assistant, speaks for government policy?

Hon. Miss Stephenson: I have never directed the honourable member, who is my parliamentary assistant, to say anything about anything. He is entitled to his opinion. This happens to be a free, democratic country. I would anticipate that the Leader of the Opposition would not impose that kind of duress upon the members of his caucus. I would hope that he would not at any rate. The parliamentary assistant, as does any member of this government, has the right to speak his own opinion upon occasion.

Mr. S. Smith: I would still like to know what he is going to say when he is there representing the minister.

Mr. Speaker: Order and new question.

ENERGY EXPORTS

Mr. S. Smith: Mr. Speaker, a question for the Minister of Energy: Is the Minister of Energy going to take any further action with regard to his federal colleagues, his cousins in Ottawa, who seem determined to permit the export of large quantities of so-called surplus natural gas from this country? Does the minister not agree with me that the concept of surplus is a very questionable one when we will be exporting the cheap natural gas, which is easy to find and cheap to produce, and years from now we will be stuck, as has happened with oil, with the more expensive stuff for Canadians? Doesn't he think Ontario should take a strong stand against such further exports?

Hon. Mr. Welch: Mr. Speaker, if the Leader of the Opposition had carefully read the position of this government as set out in the two papers, the August paper and the October paper, about which he has had a great deal to say, he would know that this government took a very strong position that there should be perhaps a reasonable allowance with respect to exports, but only after the National Energy Board and those responsible for making these determinations were satisfied that domestic needs would be met. That is quite clearly the position with the province of Ontario.

Mr. S. Smith: By way of supplementary: The minister is correct that the province has stated there should only be further exports if the NEB determined there was a surplus.

But I am asking the minister, in view of the events of the last couple of days, for instance, whether he feels that this concept of surplus—when speaking of natural gas or oil—is a meaningful one, or is it simply quite wrong and against the interests of our country, and particularly against the interests of Ontario, to export the cheap natural gas simply because there are some indications that there are further reserves, probably more expensive to produce later on, which are still in the ground somewhere in Alberta or in the country?

Does the minister not feel that it is insufficient to just let the NEB have their formula, 25A-4 or 30A-1, or whatever? Does the minister not consider that Ontario should make the point strongly now that we don't regard any natural gas, at this time, as surplus to the needs of this country, and that we want to massively substitute it for oil so that our children will have cheap energy and not be stuck in the position we are all going to be facing in oil very shortly?

Hon. Mr. Welch: I do not feel we should make such a sweeping generalization with respect to the definition of what may or may not be surplus. However, I would agree with the Leader of the Opposition that the government of this province has taken a very careful, well understood position with respect to what are the factors that lead to the determination of supply; that there would be some consideration given to what would be more expensive natural gas that would come on after the present supplies have been exhausted, which should be taken into account with respect to rates; and that there would be no extensive or blanket export agreements until the domestic need situation in this country has been taken into account.

It becomes a matter of definition, and a very essential one, as to what influences the National Energy Board in making that determination.

[2:15]

Ms. Gigantes: Supplementary, Mr. Speaker: I would like to ask the minister, since he speaks of the importance of the definition, just what his definition is on behalf of the Ontario public. Isn't he concerned that this phrase "access to future Canadian needs" is the same phrase the Honourable Joe Greene used to feed us while were were exporting our oil?

Hon. Mr. Welch: Mr. Speaker, perhaps I can answer the question by saying that, as far as I am concerned, I am sure the National Energy Board has the expertise and is equipped with whatever it may need with respect to research to some to some determination as to what the supply situation is.

I would hope the honourable member would agree with the position taken by the government of Ontario on this subject of export, that we should ensure our own needs before there is any further increase with respect to exports.

Mr. J. Reed: Supplementary, Mr. Speaker: Would the minister not agree as a matter of principle the word "surplus" is inappropriate when it comes to assessing any nonrenewable resource?

Hon. Mr. Welch: That is an interesting point of view, Mr. Speaker. I suppose what we are really talking about is in comparative terms. The honourable member himself, in his contribution to the energy debate here a week or so ago, talked in terms of the need for us to convert to an energy supply source which seemed to be in more abundance than the conventional one: i.e., fuel oil. So the vocabulary in this debate becomes very important.

It would seem we can rely on the supply of natural gas, which is far more predictable and in greater abundance than oil, and indeed we can do something with respect to the conservation of our demand for oil by encouraging our people to convert to gas. That is all the more reason why in the spirit of this exchange with respect to this question, it is very important that we satisfy ourselves with respect to the availability of that energy form before we agree to substantial increases with respect to its export.

Mr. Renwick: Mr. Speaker, a supplementary question related to this question of exports: Is the province engaged in any discussions or negotiations with the provinces to the east with respect to the provision of facilities for the transportation of natural gas to the eastern part of the country?

Hon. Mr. Welch: Mr. Speaker, I know of no formal negotiations with the provinces to the east, but in the discussions going on now, and certainly as recently as the first ministers' conference, there has been a great deal talked about with respect to the extension of natural gas to Quebec City and the question, of course, as to whether there would be a pipeline farther east. These matters are before the National Energy Board. There are questions that have to be answered in that connection as well with respect to the distribution systems that are in place.

To be specific with respect to the question asked, since I have assumed this responsibility I have not been personally engaged in any formal discussions. As the member knows, the

government of Ontario has made representation before the National Energy Board with respect to the extension of that pipeline related to the overall energy situation both here and throughout the country.

HEALTH SERVICE CHARGES

Mr. Cassidy: Mr. Speaker, I have a question for the Minister of Health arising out of the breakdown of the gentlemen's agreement between the ministry and the Ontario Medical Association, under which people were not meant to have to pay an Ontario Medical Association fee if their doctor had failed to inform them in advance that he was extra-billing.

Since the OMA is now telling individuals across the province that as members of a voluntary association they may or may not follow its recommendations and that it has no authority to make recommendations or strict rules that the members must follow, can the minister say what steps the government intends to take, since this is in clear contradiction to his statements in the spring and as recently as October, that no person would have to pay extra if they were not informed in advance?

Hon. Mr. Timbrell: Mr. Speaker, with respect, I think the honourable member is misinterpreting what I understand is being told. What is being said is what we all understand, that the agreement is not a regulation or a statute. That is quite true and that has been understood by everyone from the beginning.

What it does represent is an agreement on the principles of the operation of our health-care plan.

I would repeat again that what we've found is in those cases where the individuals avail themselves of the service, either at the direction of the local MPP or directly to the medical association, that by and large the few difficulties that arise can be resolved. That isn't to say there aren't some that remain and there aren't some difficulties.

I may say too that in that statement the medical association and the ministry allowed that if the medical association couldn't make it work as they offered, eventually the government might have to consider some form of consumer protection legislation.

I don't agree with the member's assessment that the system has broken down. The very small number of instances that have come to light, as compared to the millions of times since last March that individuals have received medical services, does not indicate the system has broken down.

Mr. Cassidy: Supplementary: Since the minister said in a letter to the member for Windsor-Riverside (Mr. Cooke), dated October 10, that the patient is not obliged to pay an additional fee if he or she has not been informed in advance; and since Mr. Kelly, about whose case this letter was written, and other individuals are being told to pay in advance and are having collection agencies sent after them if they are refusing to pay the extra fee, although they weren't told in advance; why will the minister not act now and implement the rider to his statement last spring; that is, if the agreement didn't work, the government would bring in the necessary legislation or regulations to protect the public, the health consumers of Ontario?

Hon. Mr. Timbrell: I don't believe I have my copy of my letter to the member for Windsor-Riverside with me, but I believe I was quoting from the March 29 statement, which said a person should not—

Mr. Cassidy: It's broken down; it's not working. You're in conflict with them.

Hon. Mr. Timbrell: With respect, since that statement was made in this House almost eight months ago, we have paid out claims to the extent that almost 40 million times since that statement was made in March, people have received medical services.

Undoubtedly, the honourable member and other members have raised individual cases that would indicate some difficulties in the relationship between individual patients and individual doctors. It indicates more work needs to be done, particularly in the area of anaesthesia. I acknowledge that and have acknowledged that.

When we compare 40 million services since March with the number of claims the honourable member has raised, including the one that was written about in the Windsor Star on Monday, it certainly does not indicate that the system had broken down; quite the contrary.

Mr. Cooke: Supplementary, Mr. Speaker: I would like to ask the minister what he suggests Mr. Kelly do. Mr. Kelly was charged $123 over and above the OHIP fee schedule. He received a letter from OMA, dated November 6, which states they cannot and will not deal with this case because his doctor is not a member of OMA. If figures are going to be published on the number of doctors who are out of OHIP and who is out of OHIP, the minister is also going to have to give us a list of who is out of OMA. Or is he finally going to recognize that the agreement doesn't work and take the appropriate action?

Hon. Mr. Timbrell: Mr. Speaker, I'll look again at that individual case out of 40 million that have received service since March and see if there is something that can be done. I take it, in that particular case, the individual got good medical care as well. This is something that is always forgotten.

Mr. Cassidy: I'm not sure whether the minister realizes that many people don't like to have their cases aired in public, as we have been obliged to do here in this Legislature.

Is the minister aware that the most recent interim report from the College of Physicians and Surgeons of Ontario states specifically that there has been a marked increase in the number of complaints concerning fees? Is the minister aware that the college states most complainants accepted the explanation that a doctor is not required to notify a patient his fee will be in excess of the OHIP schedule of benefits?

Is the minister aware that the college of physicians and surgeons, rather than telling the doctors not to charge OHIP, is explaining to complainants they have to pay over OHIP because there is no other means to require the doctor to charge the OHIP fee? The complaints are going to the College of Physicians and Surgeons; they are not always coming into this party. Why will the minister not act now, by regulation or by legislation, to protect the health consumers of Ontario?

Hon. Mr. Timbrell: I am well aware of the practice of the member's party about raising the names of individuals. I am also aware of the report in Monday's Windsor Star about a Mr. Ursuliak who commented on the methodology of the member's party, on its principles, and on how it uses people for its own political purposes. That article is well known to the members of the House and to the gallery, and it has exposed his party's tactics for what they are.

Secondly, the member talks about changing that particular regulation. I ask him once again to consider what he is suggesting that people be subjected to. He is suggesting that it be added to the section on—

Mr. Cassidy: Is the minister saying that doctors will disobey a regulation of this province?

Mr. Speaker: Order.

Hon. Mr. Timbrell: Mr. Speaker, I sat here quietly listening to the member's question. For once, would he like to listen to an answer? It is clear he hasn't listened to one for months; he hasn't listened once.

What the member is suggesting is to put in place a procedure where people in those few instances where there is this kind of conflict would be taken through a very lengthy, involved procedure of complaint committees, discipline committees, potentially health discipline forums, potentially the Ombudsman and potentially the courts, as opposed to a system that has shown itself to be one that will work.

Mr. Cooke: On a point of privilege, Mr. Speaker?

Mr. Speaker: What's your point of privilege?

Mr. Cooke: My point of privilege is that the minister is quoting from a newspaper article that appeared in my local paper, indicating that I used a specific case in this Legislature for political reasons. I want to point out to the Legislature that permission was granted by that individual to raise his case in the Legislature. That was pointed out in the article, and the minister does not recognize that.

The fact of the matter is that that individual came into my office with two complaints. One was that he had not received his Canada pension from the federal government; we resolved that problem. The second problem was that this guy was being double-billed by Dr. Stecko, and that problem has been resolved because of intervention by me and this party.

Hon. Mr. Timbrell: Mr. Speaker, may I speak to the point of privilege?

Mr. Speaker: Well, it's trying to correct the record in the eyes of the member for Windsor-Riverside.

OHIP-OMA FEE SCHEDULES

Mr. Cassidy: Mr. Speaker, I have another question for the Minister of Health. In view of the fact that the Ontario Medical Association has decided to increase the OMA fee schedule by 11.9 per cent, effective January 1, 1980, and to reject the government's offer of an 11.24 per cent increase in the OHIP fee schedule for the same date, would the minister say what will be the next steps taken by the government to get a settlement of fees with doctors for 1980, and will the government insist that doctors stop extra-billing as a condition of Ontario's settlement of next year's OHIP fee schedule?

Hon. Mr. Timbrell: Mr. Speaker, first of all, the joint committee on physicians' compensation is meeting today. The negotiations are proceeding on the development of a 1980 schedule for OHIP.

Second, as regards to the last point, I don't know what the policy of the member's party

is. I read what he said in Hamilton, in May, when he was talking about there being no Draconian measures. I read the bill from the member for Oshawa (Mr. Breaugh) which provides for doctors to continue to bill in excess of OHIP in many cases; then I read another bill from another member of his party that takes yet another position. His party is trying to be all things to all people. The fact of the matter is we have a system in this province that works, and works darn well, and we are going to keep it.

Mr. Cassidy: Since the minister knows perfectly well that the New Democrats have said specifically that there should be one price for medicine in Ontario, whether the doctor bills through the plan or whether he bills at the OHIP fee schedule—

Mr. Speaker: Question.

Mr. Cassidy: —directly to the public, I won't answer that particular part of his response.

Mr. Speaker: It is your duty to ask questions, not to answer them.

Mr. Martel: Somebody has to be factual.

Mr. Cassidy: That's right, Mr. Speaker. The supplementary is this: Since the OMA stated in its latest bulletin that the OMA representatives were instructed to reopen negotiations with a view to narrowing the gap between the schedule of benefits and the OMA schedule of fees, and since that gap now is 42 per cent on average across the province, can the minister explain how the government justifies an offer of 11.24 per cent for doctors, or an offer that may be increased if the OMA's demands to narrow the gap are met, when hospitals are given an increase of only 4.5 per cent in their budget this year, and when health-care workers who make a third as much as doctors are being given increases averaging only six to eight per cent?

[2:30]

Hon. Mr. Timbrell: I have no intention of confirming any of the numbers mentioned by the member. We believe that when we are negotiating we don't do it here on the floor of the House; we do it through the agreed-on procedure known as the JCPC—the joint committee on physician compensation. It's to be hoped they will be able to bring about a settlement in the not-too-distant future for the 1980 OHIP schedule.

I would also point out to the honourable member—and I have said this repeatedly—the OMA schedule is irrelevant to the question of billing. There are many physicians who from the beginnings of the health plan were participants and never charged more than OHIP.

Mr. Cassidy: It's irrelevant? That isn't funny.

Hon. Mr. Timbrell: It has always been irrelevant as regards the question he is trying to address.

The honourable member will recall that, in the select committee report, NDP members repeatedly urged on the government that we address the concerns of physicians about compensation, specifically general practitioners and psychiatrists and a few other groups. We are trying, in the course of the negotiations, to do just that, exactly what that party has said before.

Mr. Cassidy: Supplementary: Would the minister explain why, when doctors are being offered increases that are almost double what are going to many health-care workers and when the increase being offered to doctors is almost double the guideline that was set for public servants in Ontario for 1979, the government is not insisting, at the very least, as a condition of the settlement for 1980 that doctors agree to stop extra-billing in 1980 when the new OHIP fee schedule is struck?

Hon. Mr. Timbrell: Again, I don't intend to do the negotiations on the floor of the House. I think the honourable member will see, once a settlement is arrived at, the figures he is quoting are not correct.

ASSISTANCE TO STUDENTS

Mr. Sweeney: Mr. Speaker, a question to the Minister of Colleges and Universities: Given that the recent Carleton University student study clearly shows that students entering university during the past two years are coming from families with increasingly higher incomes, what has happened to the minister's pledge made to my leader last October 27 that she would do an in-depth examination of the student awards program as to how it affects certain traditionally disadvantaged populations such as the poor and the minority groups?

I quote from the minister's statement: "We will be making an in-depth examination of the information which is flowing in now and be comparing it with the final enrolment data which we should have by the end of October or early November."

Hon. Miss Stephenson: Mr. Speaker, we are examining that information, and that study should be available to us very shortly.

Mr. Sweeney: How can the minister properly assess the effectiveness of the $90-million student awards program without this kind of

basic data? Does she have any evidence of the negative effect of freezing the cost-of-living component of this program?

Hon. Miss Stephenson: No, we do not have specific evidence of any negative effects from freezing the cost-of-living component. That matter was put before us by the Ontario Federation of Students last year and again this year. It will be considered for the criteria and terms for the year 1980-81.

The applications for student assistance have not dropped dramatically within the past year. The total number of applications received as of November 10 is, I believe, 800 fewer than it was for the corresponding period in 1978.

We are aware, from preliminary examination, that the bulk of students being aided and assisted by the student assistance program are from families with incomes of less than $15,000 a year. I believe that is an indication that the student assistance program is being directed towards the appropriate groups within our society.

The purpose of the program is to provide support to those students who might not even consider a university training career, if they were to be faced immediately with a burden of debt from day one. I believe the preliminary information I've seen supports that philosophy and that we're moving in the right direction.

We felt very strongly we had to have the information available from last year's applications and this year's applications with whatever income information was made available to us in order to make a definitive study of the direction which the program is taking and whether it's meeting the requirements which were set for it.

Mr. Cooke: Supplementary, Mr. Speaker: From what the minister has said, I'd like to ask whether she is considering a tuition increase before the study on the effectiveness of the new Ontario student awards program is complete? She has said the study wasn't completed.

Hon. Miss Stephenson: Mr. Speaker, I would remind the honourable member that the P. S. Ross study has been out there for some time. It has been responded to by a very large number of groups and individuals. All of those responses have been collated, and certain recommendations which have been developed as a result of those responses are being considered at this time.

Much of the information related to the effectiveness of the student assistance program, I'm sure, will be available to us before that final decision is made.

Mr. Sweeney: On the basis of the minister's answer, I would like to ask whether she is aware that approvals for the Ontario student awards program have dropped in the last two years from 76,651 to 63,653? That's a drop of 13,000.

Hon. Miss Stephenson: I would remind the honourable member that the criteria, the requirements for the program, were changed in the year 1978. There was a different basis for applying for student assistance.

The member is comparing 1977 figures with 1979 figures. He should be comparing the applications for the year 1978 to the applications for the year 1979-80.

Mr. Sweeney: It changed in 1977.

Hon. Miss Stephenson: The change was not in effect for the student year 1977-78. It was in effect for 1978-79. The change has been in existence now, or will be by the end of this school year, for two years. The member really cannot compare the figures for 1977-78 with those figures he quoted for 1979-80. It's like comparing apples and oranges, because the basis is different.

Mr. Sweeney: It still knocked 13,000 out of the system.

Hon. Miss Stephenson: No, that's not true.

Mr. Speaker: Order.

TELEPHONE CHARGES

Mr. Swart: Mr. Speaker, in view of the absence of the Minister of Transportation and Communications (Mr. Snow) and of the absence of the Minister of Consumer and Commercial Relations (Mr. Drea), I will pose this question to the Deputy Premier.

Could he tell us when the government was informed that Bell Canada has requested the Canadian Radio-television and Telecommunications Commission to give approval in proceeding with special charges for all local calls on a trial basis in certain communities?

If this was not discussed with the government prior to the announcement that was made yesterday, does he not think Bell is treating his government in rather a high-handed manner? If he did know, why did he not make it public, and what view did he express to Bell and to the CRTC?

Hon. Mr. Welch: Mr. Speaker, now that the honourable member has that question on record, I will be very glad to draw it to the attention of my cabinet colleague the Minister of Transportation and Communications, from whom he can expect to have a full answer.

Mr. Swart: When he draws that to the attention of the Minister of Transportation

and Communications, will the Deputy Premier also inform him that those who are going to be hurt most by charging for the number and length of local calls are those who can least afford to be hurt—the senior citizens, the handicapped and the housewives? Will he also tell the minister that there is tremendous potential for ripoff and that consumers have no practical way of checking their bills?

Does the minister himself not think his government should intervene to protect the consumers in this matter? Will his government do an in-depth examination of this issue and take a strong stand with Bell Canada and the Canadian Radio-television and Telecommunications Commission in support of the telephone users?

Hon. Mr. Welch: One of the reasons this party has been given the opportunity to form the government of this province for so many years has been its legitimate concern for the very people to whom the member wants to draw our attention. We are always concerned with respect to the consumers, the people on fixed incomes, all sorts and conditions of men.

AID TO TOBACCO GROWERS

Mr. G. I. Miller: I have a question for the Minister of Industry and Tourism, Mr. Speaker.

I wonder if the minister is aware that as many as five or six companies are in financial difficulties in the tobacco-growing area of my riding and other ridings that surround Delhi, brought about by the blue mould disease in the tobacco this year.

Interjections.

Mr. Speaker: Will the honourable member's colleagues please allow him to complete his question?

Mr. G. I. Miller: Thank you, Mr. Speaker. That is correct: it is blue mould. It has been one of the disasters that has affected our province.

Would it be possible to set up a loan program such as has been done by the federal Department of Agriculture for the tobacco farmers in the area so they can borrow up to $40,000, after they have been turned down by two banks or other financial institutions, at an interest rate of one half of one per cent above the prime rate? Would the minister give consideration to that?

Hon. Mr. Grossman: Mr. Speaker, I would be pleased to investigate what we can do about that particular source of blue mould in that part of the province. Other types of blue mould we wouldn't want to inhibit, but that particular type we would. I will look into that for the member.

CARBON EMISSIONS

Ms. Gigantes: I have a question for the Minister of Energy, Mr. Speaker.

Can the minister confirm that Hydro staff presented a special briefing on carbon 14 to the last meeting of the Hydro board, and that Hydro staff will be meeting either tomorrow or Monday with the Atomic Energy Control Board to discuss safety concerns associated with carbon 14? Can he also enlighten us on the reason for all this activity and concern about carbon 14?

Hon. Mr. Welch: Mr. Speaker, it is my understanding that Ontario Hydro has informed the nuclear regulatory agency, the Atomic Energy Control Board, that work is proceeding on analysis of C-14 in airborne effluents from nuclear stations.

It is also my understanding, and I was just advised of this prior to coming into the House, that the select committee on Ontario Hydro affairs has placed this question of C-14 on its agenda for early in the new year.

Ms. Gigantes: As the select committee on Hydro affairs won't be able to consider any of this material until the new year, would the minister please table with the House what information is being produced within Hydro concerning carbon 14? Would he also give us some explanation of why carbon 14, although it has not been regularly monitored as an emission from nuclear plants, is now a subject of such great concern?

Hon. Mr. Welch: I can't give an undertaking with respect to tabling until I have had an opportunity to check with the parties involved. Certainly, I will be glad to report back to the House after I have followed up on the honourable member's question with the officials of Hydro.

VANDALISM

Mr. Hennessy: Mr. Speaker, I would like to ask the Minister of Housing a question. Recently, in the city of Thunder Bay, on Red River Road, a senior citizens' home was vandalized, causing damages of $250,000. I would like to ask the minister who is responsible for the damage financially; if there is any information as to who did the damage; and when the home will open.

[2:45]

Hon. Mr. Bennett: Mr. Speaker, I'm not sure of the amount of damage that was sustained by the structure. I must inform the House that the building at the moment is

still under the ownership and direction of the contractor, so any claims which might arise definitely would be against his insurance company and be between him and his insurance company.

I do understand—and I will have to get further information on it—that there will be some delay of a month to two months in the final completion and occupancy of this particular development in Thunder Bay.

Mr. Hennessy: I would like to ask the minister if the information I have received is not factual. I understand it's going to be at least six months before they get going, not a month. I would like the minister to look into it.

Hon. Mr. Bennett: As I said, I will look into the dates for completion and inform the House further.

HIGHWAY CONSTRUCTION

Mr. T. P. Reid: Mr. Speaker, I have a question for the Minister of Northern Affairs. I'm making it partly because he hasn't responded to my letter of some weeks ago.

Will the minister look into the condition, particularly in the area of construction, of highway 11, 10 miles east of Atikokan; and will he respond to my letter in regard to the abysmal shape and the unsafe conditions of the highway 40 miles east of Atikokan, which is not under construction, with a view to speeding up the rebuilding of that stretch of the highway?

Hon. Mr. Bernier: Mr. Speaker, I have just read a letter from the reeve of Atikokan, Mr. Jack Pierce, on this very issue. I will be glad to take it under consideration and have a careful review made of the whole situation relating to highway 11.

Mr. T. P. Reid: Will the minister do his best to speed up the rebuilding of that stretch of highway to improve it and bring it up to a safe condition? Will he also have another look at the policy of the Ministry of Transportation and Communications to rebuild only a 10-mile stretch of highway, in order to have that highway fixed as quickly as it can possibly be done?

Hon. Mr. Bernier: As the honourable member is very much aware, we're looking at the question of accelerating construction of the Bending Lake Road. I think there is some necessity to approve and get that access opened up as quickly as possible. I will certainly take the member's suggestions into consideration, as we look into the 1980 program.

UTILITY SERVICES

Mr. B. Newman: Mr. Speaker, I have a question of the Minister of Energy. Will the minister consider the same proposition as is in effect in the state of Michigan, which is that Michigan Consolidated Gas will not discontinue any gas service this winter to any elderly person unable to pay his bill? Will the Minister of Energy approach energy providers in Ontario to encourage them to adopt a similar policy?

Hon. Mr. Welch: Mr. Speaker, I'm having some meetings with representatives of the industry fairly soon and I will be very pleased to draw the honourable member's point to their attention.

Mr. B. Newman: Supplementary, Mr. Speaker: As energy suppliers in the city of Toronto are now preparing to give a $20 break on home heating, would the Minister of Energy also approach the industry to provide other communities with exactly that same type of an advantage? The citizens of Windsor would likewise appreciate the $20 break in relation to home heating.

Hon. Mr. Welch: Mr. Speaker, I'll include that in my discussions with the company.

Mr. Makarchuk: Since the past Treasurer of the province of Ontario has now become the president of Union Gas, which is one of the major suppliers of energy in the province, and he has stated in a letter to me that an agreement has been reached between Union Gas and the government of Ontario regarding the curtailment of services, would the minister table that understanding so we know what it's all about?

Ms. Gigantes: Here comes Darcy again.

Hon. Mr. Welch: Mr. Speaker, I would be very glad to discuss that particular matter with the other party to see whether there's any reason why it can't be tabled.

MINING MACHINERY

Mr. Laughren: Mr. Speaker, my question is of the Minister of Industry and Tourism, now that he has returned.

Since the mining machinery show in Sudbury last week was considered a success by the minister, I wonder if he could tell us how successful it was, what contacts he's made, and what plans he has to follow up the contacts made by both his ministry and by suppliers and consumers of mining machinery in Ontario. Will he, at this time, give us a commitment to co-ordinate or sponsor a mining machinery trade show in Ontario that would represent not just the $40 million

worth of machinery represented at the trade show in Sudbury, but the entire $400 million worth of mining machinery that represents the domestic market in Ontario? That represents more than 11,000 jobs in Ontario that we don't have at the present time.

Hon. Mr. Grossman: I take it the honourable member sees the value of those types of shows and I appreciate his support for that.

The evidence we have to date is from several discussions I had in Sudbury on the floor of the show with both suppliers and prospective purchasers of the six major mining companies. I can remember three separate conversations that day where it was indicated to me there were specific deals concluded and arrangements made. The extent of those, I remember offhand, were over $500,000 worth of business.

My field staff will be following up with each participant in the show to get specifics of the contacts made and see where we might assist them in following up on some of those contacts.

Finally, we will try and widen the number of prospective purchasers and suppliers the next time around. This time, we put major emphasis on trying to get as many people as we could. I think the success of that show will encourage wider participation next time.

Mr. Laughren: A supplementary, if I might: Since we still have more than a $250 million deficit in mining machinery; since this situation has deteriorated very drastically over the last 10 years; and since there are more than 11,000 jobs at stake here represented by those imports, will the minister make it clear to potential manufacturers in Ontario that unless those imports are replaced with domestic manufacturing he is prepared to move, in either joint ventures or through the crown corporation route, to establish a mining machinery industry in Ontario?

Hon. Mr. Grossman: I'm not going to give any blind commitment to move this government into any kind of industrial endeavour until we're convinced it makes sense to do that—until we're convinced we can be competitive, not only in Canada but internationally, and until we're convinced it will bring enough benefits, in terms of secure jobs, for the layout of funds involved.

All the indications coming out of that show indicate we can make substantial gains in the private sector before we'd even have to turn our minds to that sort of alternative.

FRENCH HEALTH SERVICES

Hon. Mr. Timbrell: Mr. Speaker, on November 6 the member for Scarborough West (Mr. R. F. Johnston) asked the Premier (Mr. Davis), in my absence, what my ministry is doing to encourage French practitioners to serve the French population in northern Ontario. He further asked if my ministry would be willing to consider funding French advisory committees in northern health districts to act as recruitment agencies to deal with potential French practitioners.

I would remind the honourable member it is my ministry's policy, as outlined by me in Sudbury on September 20, to ensure a full range of health services is provided on a bilingual basis in areas where there are concentrations of francophones. Cochrane is one such area.

Wherever possible the ministry will assign bilingual staff to positions requiring extensive communication with the public. In those areas with concentrations of French-speaking people all ministry public inquiry and counselling services will respond in French to French-language inquiries, whether by telephone or in person. These policies apply not only to the ministry, but health-care agencies and public hospitals receiving operating funds from the ministry will be requested to observe the same policies.

As an incentive, we will provide additional funding to assist hospitals to upgrade their French-language services. We will subsidize language upgrading of certain hospital staff who deal with francophone patients and will also fund the development of bilingual hospital forms. Work on these programs is under way in the ministry under the direction of Mr. Ron LeBlanc, my ministry's French-language services co-ordinator.

I don't think it's appropriate to repeat the full statement I made on francophone services today. If the member is interested, I will be glad to send him a copy of it in whichever language he prefers.

On the question of provision of francophone practitioners, I would remind the member of my ministry's underserviced area program whereby we provide incentives for physicians to locate in areas designated as needing services. We have already 258 physicians on the program working in 147 communities in Ontario.

The Ministry of Health's co-ordinator of French-language services recently took part in an underserviced area recruitment program which was organized in the five cities where we have medical schools in the province. This is indicative of our intention to use the underserviced program to attract francophone practitioners.

Finally, Cochrane District Health Council in conjunction with my ministry is develop-

ing a French-language service policy for that part of the province. As part of that work, the health council and my ministry are working with the local hospital to develop methods of assuring the delivery of health services in French, including the organization of courses for employees of the hospitals to improve or to learn French.

Mr. Cassidy: If that is the ministry's policy, could the minister explain why I have been recently informed by the Brockville Psychiatric Hospital that when they receive letters in French they send them down to Toronto to be translated into English, have them returned to Brockville, write the replies in English, send them down to Toronto to be translated into French and then send them back to the people who wrote in the first place? Surely that is not an effective implementation and a rapid response in the other language of this country if these replies have to be translated in that way.

Hon. Mr. Timbrell: I think the honourable member makes a very good point and I will certainly look into that. Brockville itself is not one of the designated areas, but it does draw from the whole of the east where there are a good number of designated areas.

Mr. Cassidy: It is designated. You can't treat eastern Ontario like that.

Hon. Mr. Timbrell: The member can't even graciously accept it when I agree with him. He is bad enough when I disagree with him, but he can't even accept it when I said he is right.

PRESERVATION OF AGRICULTURAL LAND

Mr. Riddell: I wanted to direct this question to the Premier because I think he is aware of it, but in his absence I will direct it to the Minister of Housing since he has jurisdiction over the Planning Act.

Is the Minister of Housing aware of and does he support the numerous statements that have been made by the Minister of Agriculture and Food (Mr. Henderson) encouraging severances in the best agricultural areas of this province for retiring farmers, farm labourers and family members? Further, is he aware of the concern these statements have caused in rural counties which have attempted to preserve good agricultural land and reduce land uses which are incompatible with agriculture?

Hon. Mr. Bennett: I am somewhat aware of the remarks of my colleague, the Minister of Agriculture and Food (Mr. Henderson) who represents extremely well the attitudes and feelings of a great number of people in the farm communities in Ontario. I had this question asked of me yesterday in my estimates also by a member of the same party. I answered very quickly and decisively that I understand what the Minister of Agriculture and Food has been saying in his leniency towards severances.

I am sure there are members of this House on all sides who have some very pet projects as far as severances are concerned. I see the former Liberal leader smiling because I think he and others have had some situations—

Mr. Nixon: You abuse me.

Hon. Mr. Bennett: I would never abuse the member. I always try to accommodate him. It is great to be able to accommodate him because we have the same problems on this side of the House in trying to make sure the farm community is well served.

Mr. Bradley: He is amused by your answer.

Hon. Mr. Bennett: We have tried to make the assessment as to whether there is an appropriate use of the land and whether it happens to be for a son or daughter or a farm worker within the agricultural community on that particular farm. That follows along the lines of the opening remarks of the Minister of Agriculture and Food at various meetings.

Frankly, the final analysis of the decision, if it is referred to the Minister of Housing, will be mine to try to determine whether a severance should or should not stand. In the initial stage, the land severance and land adjustment committee has the right to express that as a local group representing local concerns in severance requirements.

Mr. Riddell: Supplementary: Does the Minister of Housing not agree that these settlements condoning residential severances contradict the government's own policy statement on the food land guidelines which states that because a farm severance may subsequently be taken over by others and create problems for adjacent farm operations, farmers should be encouraged to consider retirement in a nearby village or town? Will the Minister of Housing remind the Minister of Agriculture and Food, "divided-up Lorne" as he is known in the rural areas, of his government's policy to support local decision-making which preserves agricultural land?

Hon. Mr. Bennett: I have taken note of all those who have applauded the member for Huron-Middlesex. I would indicate that the next time I have a request from them I shall deal with it accordingly.

[3:00]

Mr. S. Smith: Who are you threatening?

Hon. Mr. Bennett: I wouldn't want to threaten the member for Hamilton West because it would be far beyond my reason to deal with him in such a way.

An hon. member: What about the Niagara Escarpment?

Hon. Mr. Bennett: Don't worry about the Niagara Escarpment. Back a few years ago there was a great hue and cry by all members of the Legislature, and indeed by many others, that we were far too restrictive in allowing farmers to have severances on their property.

Mr. S. Smith: Who wrote the guidelines?

Hon. Mr. Bennett: Just hold on. Obviously, the member will never have a chance to amend them either, so he shouldn't worry about who wrote them.

The fact is, Mr. Speaker, five or more years ago Don Irvine and others indicated clearly that we would try to allow severances to occur on some of the farms. At one time we had a policy where a severance had to be 100 acres. We brought it down to 25 and that still didn't satisfy a great number of people in the farm community.

We tried to rationalize it in respect of farmers wishing to remain on the farm property who had a son or daughter wishing to run that farm or assist the father or the mother in running and maintaining the farming operation. Indeed, where there were farmhands involved and accommodation was needed for them on site, we would allow severances there. We have allowed most of the severances to be dealt with singularly by a local organization.

Let me say to the member, some of them do not use the greatest degree of good judgement in relation to planning. I have presently before me a request to allow a severance of 10 lots on one piece of land without even going through a subdivision, and I have now questioned it and held it up.

Mr. Swart: Supplementary: In view of the statement by the Minister of Agriculture and Food, which is in direct contravention to statements by both of his predecessors in that office; in view of the flip-flopping of the Minister of Housing on the Hamilton-Wentworth area; and in view of his refusal to support the preservation of the fruitlands in Niagara which his government said must be saved; in view of what they have done in the Niagara Escarpment, can't we rightly conclude the government has abandoned any attempt to preserve the farm land in this province?

Hon. Mr. Bennett: Mr. Speaker, the last speaker has abandoned the original question, but that doesn't seem to make much difference.

Frankly, what we have done in the Hamilton-Wentworth area, which was an area to which we granted certain rights for development because the land had already been turned into that situation over many years, and because of the official plan—

Mr. Swart: You refused it at first and the agricultural ministry didn't want it included.

Hon. Mr. Bennett: Just let me finish—because of the official plan that existed in that community.

The member wants to be on all sides of the fence at all times. I have indicated clearly to him the situation on land use down in the fruitland area and it is before the Ontario Municipal Board. I hope they will have a full, frank and firm hearing and we will make a final decision on the land-use policy with the input from the member who has 12 requests or appeals before the Ontario Municipal Board on that very subject. There are 12 from the member himself.

Mr. Foulds: Why didn't you?

Hon. Mr. Bennett: We are not going through a sham, even though the member would think that is what we should do because of his request before that board.

Frankly, I take into consideration what the Minister of Agriculture and Food often expresses in relation to land-use and severance policy, but the final analysis of the situation rests with the Ministry of Housing and the planning division.

Hon. Mr. Henderson: On a point of privilege: The Minister of Agriculture and Food was quoting from the Foodland Guidelines, page 18. It was filed in this House on June 12. That party over there never asked to debate it, so we accept that they adopted those policies.

MISSISSAUGA TRAIN FIRE

Mr. Bounsall: I have a question of the Minister of Natural Resources, in the absence of the Minister of the Environment (Mr. Parrott).

Is the minister aware that in the Mississauga train derailment, with chlorine gas having mixed with propane gas, particularly at the elevated temperatures of the fire, bearing in mind chlorine is a very fast oxidizing agent and very reactive, a fair quantity and range of chlorinated hydrocarbons were likely to be formed, many of which are just as harmful as chlorine gas is?

Therefore would the minister ensure that in the face of this additional health hazard

the presence of a wide range of chlorinated hydrocarbons will now be tested for, and the calculations on the dispersal of chlorine gas in the atmosphere based on the assumption that hydrocarbons be carefully rechecked?

Hon. Mr. Auld: Mr. Speaker, I'll be glad to pass that question and information along to the Minister of the Environment.

Mr. Speaker: The time for oral questions has expired.

STATEMENT BY THE MINISTRY

MISSISSAUGA TRAIN FIRE

Hon. Mr. Wells: Mr. Speaker, I will be very brief. I understand that the leader of the New Democratic Party asked about a statement regarding the Mississauga situation. I just want to indicate that the Minister of the Environment and the Attorney General and Solicitor General (Mr. McMurtry), are currently at the—

Mr. Eakins: All three of them?

Hon. Mr. Wells: No, that's two people for three jobs. They are currently at the control centre there, and couldn't be in the House today to make a statement. In all likelihood one of them will be here tomorrow to make a complete statement and answer questions for the members of the House.

VISITOR

Mr. Nixon: Mr. Speaker, I know you would want me to bring to your attention the presence under the Speaker's gallery of Mr. Arthur Evans, the former member for Simcoe Centre, former vice-chairman of Hydro, the former chairman of the select committee on conservation authorities and present good friend of many members here.

PETITION

EDUCATION FUNDING

Mr. Cooke: On behalf of the Ontario Federation of Students, I would like to present the following petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, we the undersigned beg leave to petition the Parliament of Ontario as follows:

"We protest the government's restraint program for post-secondary education, cutting off grants to needy graduate and professional school students, increasing tuition fees without consideration of the effects on access for low-income families, and holding provincial funding increases well below the costs, are resulting in universities and colleges unable to provide quality post-secondary education to the citizens of Ontario.

"We urge the government to take the following steps in order to provide quality accessible post-secondary education to Ontario citizens.

"1. Freeze tuition fees pending a thorough study of their affects on access.

"2. Improve student aid so that it meets the financial needs of low-income students.

"3. Restore grants to graduate and professional school students.

"4. Increase funding of post-secondary education to meet increased costs.

"5. Strike a select committee of the Legislature to consider the problems facing post-secondary education.

"6. Seek a federal system of grants to replace the present Canada student loan program."

Mr. Speaker, this petition has 12,000 signatures of students from across the province.

REPORTS

STANDING GENERAL GOVERNMENT COMMITTEE

Mr. McCaffrey from the standing general government committee reported the following resolution:

Resolved, that supply in the following amounts and to defray the expenses of the Ministry of Housing be granted to Her Majesty for the fiscal year ending March 31, 1980:

Ministry administration program, $11,-210,000; community planning program, $79,-100,000; land development program, $6,-722,000; community development program, $11,206,000; Ontario Land Corporation program, $21,796,000; Ontario Housing Corporation program, $129,852,000; Ontario Mortgage Corporation program, $8,438,000; home buyers grant program, $10,000.

STANDING PROCEDURAL AFFAIRS COMMITTEE

Mr. Breaugh from the standing procedural affairs committee presented the committee's report and moved its adoption.

Your committee has considered the procedures relating to private members' public business, and recommends that standing order 64(e) be deleted.

Mr. Breaugh: Mr. Speaker, this recommendation would remove the system of blocking votes on private members' hour.

On motion by Mr. Breaugh, the debate was adjourned.

STANDING PROCEDURAL AFFAIRS COMMITTEE

Mr. Breaugh from the standing procedural affairs committee presented the following report and moved its adoption:

Your committee has considered the question of "debates without motion," referred to it by Mr. Speaker's ruling of October 16, 1979, and recommends:

That a new standing order be incorporated into the section entitled "Annual Reports and Other Sessional Papers," to read:

"(a) A motion that the House discuss a sessional paper other than a committee report requires notice. No amendment may be made to such a motion.

"(b) When a motion for discussion of a sessional paper is moved, one member from each of the parties in the House may state the position of his party with respect to the motion for not more than five minutes.

"(c) If the motion passes, an order shall be placed on the Order Paper for discussion of the sessional paper by the House.

"(d) During the discussion, no motion relating to the sessional paper may be moved."

Mr. Breaugh: It is the committee's feeling that this recommendation will rectify and make somewhat easier, or at least clarify, the rather awkward situation we encountered a short while back. We think it will provide a mechanism whereby such papers as the discussion papers on energy may be discussed by this House with everyone clearly understanding the rules.

On motion by Mr. Breaugh, the debate was adjourned.

MOTION

TRANSFER OF BALLOT ITEM

Hon. Mr. Wells moved that, notwithstanding the standing orders of the House, Mr. Cassidy be permitted to carry Mr. Lawlor's ballot item on November 29, 1979.

Motion agreed to.

INTRODUCTION OF BILLS

HIGHWAY TRAFFIC AMENDMENT ACT

Hon. Mr. Brunelle, on behalf of Hon. Mr. Snow, moved first reading of Bill 175, An Act to amend the Highway Traffic Act.

Motion agreed to.

ARCHITECTS AMENDMENT ACT

Hon. Mr. Walker, on behalf of Hon. Mr. McMurtry, moved first reading of Bill 176, An Act to amend the Architects Act.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, I am pleased to move first reading of the Architects Amendment Act, 1979, on behalf of Mr. McMurtry. The purpose of the bill is to amend the Architects Act to provide an exception to the prohibition on corporate practice in the case of a work project outside of Ontario.

COMPENSATION FOR VICTIMS OF CRIME AMENDMENT ACT

Hon. Mr. Walker, on behalf of Hon. Mr. McMurtry, moved first reading of Bill 177, An Act to amend the Compensation for Victims of Crime Act, 1971.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, the purpose of the bill is to remove the limitation on the number of members of the Criminal Injuries Compensation Board and to permit the Lieutenant Governor in Council to appoint such number of members as are considered necessary. The appointment of part-time members in various parts of the province will make the board more accessible and will reduce the delay in arranging hearings.

[3:15]

INTERPROVINCIAL SUBPOENAS ACT

Hon. Mr. Walker, on behalf of Hon. Mr. McMurtry, moved first reading of Bill 178, An Act to provide for the Enforcement of Interprovincial Subpoenas.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, the bill provides a procedure by which a subpoena issued out of a court in another province can compel the attendance at a civil trial of a witness who is in Ontario. The out-of-province subpoena must be received and adopted by an Ontario court, which must determine that the subpoena complies with conditions set out in the act.

Similar legislation is in force in several provinces so that a procedure to compel witnesses who are located in other provinces to come to Ontario to give evidence will also be available.

POWERS OF ATTORNEY ACT

Hon. Mr. Walker, on behalf of Hon. Mr. McMurtry, moved first reading of Bill 179, An Act entitled the Powers of Attorney Act, 1979.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, this bill implements recommendations made several years ago by the Ontario Law Reform Commission. The bill makes provision, with appropriate safeguards for granting a power of attorney exercisable after the mental incapacity of the donor. The bill also provides a simplified form of general power of attorney.

UNIFIED FAMILY COURT AMENDMENT ACT

Hon. Mr. Walker, on behalf of Hon. Mr. McMurtry, moved first reading of Bill 180, An Act to amend the Unified Family Court Act, 1976.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, the purpose of this bill is to extend the life of the unified family court in Hamilton and to preserve the existing situation in respect of that court until it is possible to make a firm decision on the future of the unified family court.

At present, the legislation provides for the unified family court project to end on July 1, 1980. The amendment would provide for the repeal of the Unified Family Court Act on a day to be named by proclamation.

As the members of this House know, we and the other provinces are currently engaged in discussions with the federal government about the transfer of certain responsibilities from the federal government to the provincial government. Part of this discussion involves the method of appointment of judges who exercise comprehensive jurisdiction in family law matters. These negotiations have not yet been concluded, and it is uncertain at this point what their final outcome will be.

As well, we are awaiting the evaluation report on the project, which will not be completed until some time in the summer of next year. For these two reasons, I have introduced this bill to extend the life of the court in Hamilton to permit us to have these very important matters resolved before making decisions on the long-term future of the Hamilton family court.

STATUTES REVISION ACT

Hon. Mr. Walker, on behalf of Hon. Mr. McMurtry, moved first reading of Bill 181, An Act to provide for the Consolidation and Revision of the Statutes.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, this is the 10th time that the statutes of Ontario will have been revised if this bill is passed. Revisions of the statutes of Ontario have been produced in 1877, 1887, 1897, 1914, 1927, 1937, 1950, 1960 and 1970. The bill would provide the statutory basis for the revision of 1980.

REGULATIONS REVISION ACT

Hon. Mr. Walker, on behalf of Hon. Mr. McMurtry, moved first reading of Bill 182, An Act to provide for the Consolidation and Revision of the Regulations.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, the Regulations Act was first enacted in 1944. Consolidations and revisions have been published in the years 1950, 1960 and 1970. The bill would provide the statutory basis for a consolidation and revision at the end of 1980 to coincide with the revised statutes of 1980.

ASSESSMENT AMENDMENT ACT

Mr. Leluk moved first reading of Bill 183, An Act to amend the Assessment Act.

Motion agreed to.

Mr. Leluk: Mr. Speaker, the bill provides an exemption from municipal taxation for additions and improvements to residential property that are designed to aid persons who are physically disabled.

CITY OF NORTH BAY ACT

Mr. Bolan moved first reading of Bill Pr28, An Act respecting the City of North Bay.

Motion agreed to.

CITY OF LONDON ACT

Mr. Van Horne moved first reading of Bill Pr25, An Act respecting the city of London.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I wish to table the answers to questions 325, 343, 344 and 345, and the interim answer to question 333 standing on the Notice Paper. (See appendix, page 4512.)

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

REST HOMES

Mr. Blundy moved resolution 35:

That in the opinion of this House the government consider the licensing and regulation of rest homes (domiciliary care homes) in Ontario.

Mr. Blundy: Mr. Speaker, I am grateful to have this opportunity to introduce this reso-

lution today. It is a very simple one, asking that the government license and regulate rest homes.

What is a rest home? A rest home is where supervised living is available to elderly people, former psychiatric patients and handicapped people. These residents are sometimes infirm, perhaps senile, perhaps confused. They do not need expensive medical treatment, they do not need expensive medical equipment, but they must have custodial care and a clean, respectable place in which to live.

Very often we see an elderly person who can no longer live by himself or herself in his or her home. There are not sufficient alternatives to continued residence in one's own home as ageing proceeds and health problems become more frequent. The elderly may need around-the-clock supervision, but they do not need hospital care or nursing-home accommodation.

We all know how expensive these levels of care are, and the amount of funds provided by the Ministry of Health and/or the Ministry of Community and Social Services to provide these other levels of service.

We have seen in days past where people in society were taken off to asylums and the poorhouse. Thank God we have gone from that position now. We have seen many of these people being brought back into community living, and many without homes. Some of them are able to have some degree of community living in what is known as a rest home or a lodging home.

We have listened to the minister talking about deinstitutionalization. The Minister of Health (Mr. Timbrell) has certainly been talking about this, as has the Minister of Community and Social Services (Mr. Norton), I believe, in a commendable way. However, when many of these people are brought out of the so-called institutions, they end up in a very sad place, a place where they have little or no care. What they need is a place for them to live with custodial or domiciliary care while they pick up the pieces of their lives in the community.

[3:30]

We see the spectre of the elderly no longer able to live in their own homes. We see ex-psychiatric patients back in the community trying to find themselves again. Many of these people have ended up in very sad and very unsatisfactory accommodation. Every one of us can point to so-called rest homes in the province where the care is very minimal and the surroundings are bleak and sometimes not even clean. There are, of course, many rest homes in Ontario that are clean, warm, satisfactory and pleasant places in which to live. This is the position of the rest homes today.

The Minister of Health is saying all across this province that we must cut back in hospital accommodation. We know many beds are being taken out of active treatment so that chronic-care patients can be accommodated. The Ministry of Community and Social Services is trying to do the same thing: to deinstitutionalize people.

We see even in our homes for the aged that the intensive-care treatment sections of these homes are fast taking over most of the accommodation in what were known as homes for the aged. There is a definite need and place in Ontario for well-managed rest homes.

We have seen many reports suggesting that many beds in active-treatment hospitals now are occupied by chronic-care patients, leaving a shortage of active-treatment beds. We have seen reports which have said there is a high percentage of chronic-care beds being occupied, while in nursing homes there are people who do not need that level of care, but could very well be happily accommodated on a lesser level of care. We see where even in nursing homes there are many residents—and I call them residents rather than patients—who are in nursing homes but do not need that level of care.

There is a place for patients who need to have domiciliary care, who need to be in a clean, warm and comfortable living accommodation, who need to have their medication supervised and who need to have meals that are nourishing and conducive to continued good health. These are the services which are provided by rest homes in Ontario.

Many people will say the health-care needs of our senior citizens and our special patients are adequately met by the network of care facilities now available. I would like to read an excerpt in this regard. Mr. Dennis Coolican, then chairman of the regional municipality of Ottawa-Carleton, wrote a letter to the Minister of Community and Social Services on August 15, 1978.

He said, "It is our view that the easy solution would be for your ministry to establish another level of care to accommodate elderly people, ex-psychiatric patients and those requiring special care now being served by boarding homes."

In his reply, on September 28, 1978, the Minister of Community and Social Services admitted: "We are aware that in the last few years there has been a change in the complexion of the resident population in domiciliary hospitals (rest homes). We agree that

there is a need to review this program with respect to levels of service and standards of care."

It is quite evident that the principle of a new, effective and intermediate level of care is being accepted widely. We have seen many reports quoting how the complexion of the resident population in Ontario is changing. There are simply more senior citizens, and thus more elderly people needing residential care.

We know, as the years go by in Ontario, there will be an increasing number of elderly people who are no longer able to maintain themselves in their own homes but who will need supervisory care in a home that is regulated and inspected.

What can be done about the situation as outlined so far? The first thing that must be done is, the Ministry of Community and Social Services and the Ministry of Health must immediately designate responsibility to one or other of the ministries so they can administer and co-ordinate community residential care services. This having been done, the government must license and regulate these homes so they provide the kind of atmosphere required.

A rest home can provide the standard of living that is required for the elderly, the ex-psychiatric patient and the handicapped person in Ontario at greatly less cost than is necessary in our other well-known institutions.

Every area of the province today can give examples of rest homes in existence which give domiciliary care to these types of people. We are unhappy to admit it, but every area has homes of this nature that are a disgrace to the province. They are homes that are not well laid out; homes that are inadequately heated and lighted; homes in which little or no supervision of the inmates or patients is given.

I believe, with proper licensing and regulation of these homes, the ones now providing the services of which we are ashamed will be eliminated, and those that can provide a proper level of custodial care for the elderly and the infirm of the province will prosper.

Regarding the accommodation my colleague the member for Kent-Elgin (Mr. McGuigan) has drawn to my attention an unusual situation in regard to a rest home in his riding where the residents of the home are expected to do the work around the place. This particular rest home even keeps milk cows, and the patients have to look after the cows. Other patients must look after the housework and the cleaning within the institution.

Surely, when they are paying, or their care is being paid for by someone else, they don't have to do the work as well. This is another situation that obviously would be greatly improved if we had proper licensing and regulation of rest homes.

It has been said that the municipalities of Ontario have been encouraged to inspect and license homes of this nature. That is a very wonderful view, but it isn't what is happening. What is happening now in the community is that the fire inspector may come around once in a while, or perhaps only on the initial opening of the place, to see if it is contravening fire matters. The department of health will send a person around from time to time to see if the handling of food is done in a careful and clean fashion. This is about the extent to which the municipalities of Ontario have been providing the type of supervision and regulation to which the minister has referred on several occasions as having encouraged them to do. It is an encouragement that is falling on deaf ears in most of the municipalities of Ontario.

There are rest homes or lodging homes throughout the province where the owners or operators are just looking for regulation and supervision so they can institute the proper program and so the poorer rest homes will be eliminated.

There is only one way to go. In one of the ministries or in co-operation between the two ministries, Health and Community and Social Services, a licensing program must be instituted so that those homes which are willing and able to provide a clean, healthy environment for elderly people to live will be satisfied in this province.

I believe there are many people today in the business of operating rest homes who have nothing but the very best intentions in doing so and who have proven that they can operate a rest home that is sufficient to that need.

I want to address the matter of why there should be this form of care in Ontario. We have seen the government having to practise restraint in the hospital system of Ontario to the point where sometimes seriously and critically ill people are not able to get into the hospital. I know that every one of us has had calls about people lying in emergency, awaiting beds. Similarly, there are not any more homes for the aged being built in Ontario, and haven't been for some years. Those beds that are there, as I previously said, are now becoming full of the intensive-care needs of the elderly.

The Ministry of Health is not providing new licences for nursing homes in most areas of the province; so obviously there is going to have to be some area where the elderly part of the senior citizen group are accommodated. In order to use our dollars most wisely in health care generally in Ontario, we must see that there is this other level of care that will be able to relieve the pressure on the other, much more expensive institutions but still provide for many of our elderly, infirm and handicapped people a decent, clean, comfortable place to live, either for the rest of their lives—if that is necessary—or until they can be re-established in health in the community.

I wish to reserve some of my time for closing remarks. I know that many members of this House will want to support this bill, and I am looking forward to their comments on this resolution.

Mr. Acting Speaker: The member for Sarnia has approximately three minutes.

Mr. Dukszta: Mr. Speaker, this is the second resolution on this subject from this side of the House in this session; the term domiciliary care subsumes all types of existing group homes, psychiatric child care, et cetera. This expresses some concern on this side of the House with the existing conditions in group homes. Unfortunately, the government guillotined the previous effort; I hope it won't do it again.

Helping people with problems in living in the community is laudable; so is the general policy of discharging people from institutions into the community. But the Conservative government's policy of deinstitutionalization is based on the false economy of cutbacks, not on the reintegration of disadvantaged adults into the community.

This policy of deinstitutionalization without adequate housing, employment counselling and opportunities for social recreation programs and proper aftercare has had a twofold effect: the lowering of basic standards of care for many patients, and an increasing negative reaction from the communities where group homes and boarding homes housing this population are situated. Because of permissive zoning bylaws and availability of readily convertible housing stock, Parkdale and the Annex of Toronto, and other places in the province, have ended up with a significant concentration of these homes.

Long-term patients are now being discharged to a lonely existence, often in a hostile community, without adequate care or support.

[3:45]

The effect of government policy has been to create an uncaring limbo in Parkdale and the Annex communities in Toronto, where those often disturbed and unhappy individuals eke out their existence in boarding homes, lodging houses, bachelorettes and group homes—in effect, they are forgotten men and women.

Three points need to be established: Psychiatric patients and other disadvantaged individuals—alcoholics, ex-convicts, et cetera—should be treated in the community, and provision must be made for programming and funding that make that possible. All municipalities must accept responsibility for their disadvantaged citizens so that community-based treatment is accessible to all the residents of Ontario.

Second, the creation of institutional ghettos like Parkdale must be avoided by permitting the establishment of licensed community-care residences in reasonable proportion to the local population of all municipalities.

Finally, there must be a joint effort by the province and the municipalities to ensure the establishment of province-wide standards and funding support for capital and operating programs, as well as municipal enforcement of bylaws and housing standards. There must be joint development of standards and provision of support for community residential care services, such as group homes and halfway houses. The government should consider the provision of provincial funding to support the local agency operating that special category of boarding and lodging homes.

Deinstitutionalization must mean more than closing hospital beds. It means providing a network of community services to rehabilitate and/or integrate disadvantaged adults into the community with adequate housing as a priority.

Let me tell members how this program could be implemented. Generally, the government of Ontario should take immediate steps (a) to develop standards and provide support for community residential care services such as group homes and halfway houses, (b) consider the provision of provincial funding support for local agencies operating that special category of boarding and lodging homes which cater to emotionally, physically or mentally disadvantaged adults, and (c) provide community support services for the above facilities.

In particular:

1. For the purpose of rationalizing the provision of community residential care services, the government should immediately designate responsibility to a single provincial ministry for the provision of administrative co-

ordination of existing and future community residential care services. It doesn't really matter if it is the Ministry of Community and Social Services or the Ministry of Health.

2. For the purpose of ensuring minimum standards of operation for community care residences, the government should license and regulate all such facilities, especially with regard to staffing recreational and therapeutic programs. Adequate inspection and enforcement procedures should also be developed to ensure compliance with the regulation and licensing requirements.

3. For the purpose of ensuring the appropriate provision of community care residences, the government should (i) devise criteria to define the population in need of community residential care services, (ii) design the services needed to meet the requirements of this population, and (iii) develop provincial funding mechanisms for program, capital and operating costs.

4. For the purposes of solving the problems that have occurred in attempting to locate community care residences, the government should introduce legislation to amend section 35(1) of the Planning Act so as to require municipalities to permit the establishment of licensed community care residences in reasonable proportion to the local populations.

5. For the purpose of ensuring close cooperation between the province and the municipalities, the government should form a community liaison section within the designated ministry to confer with the communities regarding the location, size and type of community residential care facilities in municipalities.

6. For the purpose of ensuring that others with special personal care needs living in boarding homes and lodging homes receive the services they require, the government should encourage municipalities (a) to consider the licensing of a special category of boarding and lodging homes which cater to such adults, and (b) to establish for that special category whatever additional personal care and physical facility municipal standards that may be necessary.

7. For the purpose of promoting the operation of those special boarding and lodging homes by volunteer, nonprofit and municipal agencies, the government should consider funding these agencies for the capital costs of providing such shelter.

8. For the purpose of improving standards of operation in those boarding and lodging homes within this special category which are privately owned and operated, the government should consider providing funds for support services such as public health, social services, community police and educational programs.

9. The government should consider devoting a greater portion of provincial funds to the development of a comprehensive body of community support services, including more appropriate support programs for the physically, mentally or emotionally handicapped or disadvantaged adults.

As a last word, I would like to mention that when the previous resolution was introduced—though I wasn't here, I have read the Hansard—I was shocked to see the reaction of a number of people from the government side, including the Minister of Community and Social Services (Mr. Norton), the Provincial Secretary for Social Development (Mrs. Birch), and the Minister of Health (Mr. Timbrell). It was a negative reaction to the resolution which was introduced. Since I consider it to be a basic responsibility of all those ministries to provide some kind of care for the socially, physically, and mentally disadvantaged adults, I was horrified to see the expression of an uncaring attitude and the ruthless rejection of the resolution and obligation of their own responsibility towards those people.

Hon. Mr. Norton: Mr. Speaker, I would like to thank my colleagues for the rousing round of support as I rose.

I am pleased to speak, albeit briefly, on the resolution of the member for Sarnia this afternoon and to indicate at the outset that this resolution is one which we feel we certainly can be supportive of largely, and I want to address some remarks to that.

I would suggest that, had I been drafting the wording of the resolution, I would have probably made it somewhat rather in terms of the considerations that the government might make in the course of reviewing the concern that has given rise to the resolution.

I think, for example, that in addition to licensing and regulation, other alternatives might be considered: such matters as registration as an alternative to licensing and so on. I believe in some communities that approach can and has achieved essentially the same kind of result that the honourable member has in mind. I will come back to that in a moment.

I would like to respond very briefly to one of the remarks that has been made, which I think is a common assumption that is being repeated here in the Legislature and across the province; that is that there is a connection between the policy of the government to, wherever possible, move persons into the most appropriate level of care and into the

community as an alternative to institutionalization.

The assumption that has been repeated this afternoon is that the policy is somehow based upon economic considerations, either primarily or solely. I want to assure the members of this Legislature that that is not the case. It is, I think, a very sound approach that the government has been embarked upon for some time, for humanitarian reasons, not for economic reasons. I think we will see demonstrated that the cost of the appropriate supportive care in the community to persons is often as costly or perhaps more costly than in an institutional setting. Economics is not the determining factor; it has not been and will not be the determining factor in deciding upon the most appropriate and humane course of action. We still have to recognize that in North America, as compared with many other jurisdictions, we institutionalize disproportionately large numbers of our population, whether we are talking of children, the elderly or persons at other stages of their lives. That is the kind of concern that has given rise to the direction we have embarked upon.

I would also like to point out that here we are not specifically addressing group homes. It may have just been a slip of the tongue, but I would point out that what are generally referred to as group homes are, by and large, well regulated and well supervised by my ministry at the present time, regardless of the gestures of the honourable member opposite.

As we consider the concern, as the government will and has been considering the concern reflected in this resolution, we must also bear in mind we do not wish to create —at least I am assuming this is something shared by the honourable members opposite —a society in which persons, even though they be discharged from a psychiatric facility, are somehow under constant supervision and "programming" indefinitely into their life, unless the professional assessment is that they do require an ongoing level of care.

It bothers me somewhat that some of the arguments one hears in this kind of debate seem to imply that because a person has been in a psychiatric facility, or has received institutionalized psychiatric care, or care in another type of institution, he might end up being labelled for the rest of his life as someone who is in need for constant supervision and constant programming of his life, whether it be for appropriate recreation or whatever, and I think we have to be—

Mr. Blundy: Well, for some time, not forever.

Hon. Mr. Norton: All I am saying is, let's be careful that we do not jump into this with that assumption. There may well be individuals who require that, and we must also explore the most appropriate way to provide that support to those individuals in the community.

My personal preference, and I believe, the preference of my colleagues, would be to see that need for support addressed through the use of the generic services that are either in place or being addressed in the communities of this province, as opposed to creating what could end up being another level of institutional care.

The kinds of home support services that are growing very substantially every year across this province could address the needs of these people when they return to the community as well. In this way they would not be segregated, they would not be treated differently from other people in the community and labelled, but they would be addressed on the basis of the level of care or the level of support they may require to live independently.

I specifically made reference to registration in my earlier remarks. I know this does not sit well with some of the honourable members opposite, but I have seen it demonstrated in some municipalities in this province. In fact, through the municipal authority that does exist—at least it's been used by a number of municipalities and it has not been challenged —the municipal authority passes bylaws which regulate and require the registration of such residential accommodations, and it has worked quite effectively.

The city of Kingston is one place I can speak about. It occurred when I was a member of the city council of Kingston and it has really worked quite effectively. It does not provide the support services the honourable members have made reference to, but again the municipalities, with the financial support of the province on a cost-shared 80-20 basis, can and ought to, I believe, where necessary, provide the in-home support service to these individuals, rather than creating a new institution.

It is a danger, I suggest, if we go the route of simply saying, "Why doesn't the province license, regulate, require program supervision and recreation supervision and the works?" Let's be careful we not just institutionalize more people.

Bearing those reservations in mind and getting them on the record, that is not the direction we want to go. We do recognize and share the concern that there are some individuals who probably do require a degree

of support they may not be getting in some of the accommodation at present. I welcome the opportunity to speak supportively of the resolution, although the government has already begun to review this situation quite extensively, between my ministry and the Ministry of Health, and will do so further.

Without prejudice to the resolution that we seek, my personal feeling is it will inevitably involve some input by the municipalities of the province. This resolution is worded in such a way that it does not lock us into a conclusion before we have completed the review. On this basis, I welcome it and I support it.

[4:00]

Mr. B. Newman: Mr. Speaker, it is indeed a pleasure for me to take part in this debate and to support my colleague in his resolution with respect to licensing and regulation of rest homes—that is, domiciliary care homes—in Ontario.

I was very pleased that the Minister of Community and Social Services had some input into this. The ministry has been alerted as to what the concerns of my colleague happen to be. It speaks well when the minister is in the House and speaks to some of these debates.

The member for Sarnia is a very concerned, interested and an extremely dedicated individual, as exemplified by the introduction of this resolution. The resolution deserves to receive the support of this House. It's to be hoped the licensing and regulation of rest homes will go some way to solving the many problems experienced in the past by patients and their families as well as by medical and support staff.

For example, in checking over the telephone book this afternoon, I noticed under "Rest Homes"—I will read the list off, Mr. Speaker, to show you that when you look under "Rest Homes" you are not necessarily going to find a rest home—there is a Beth Kitchen Rest Home, a Bruce Rest Home, a Chateau Park Lodge, Chifor Investments Limited, Elm Lodge Rest Home, Eventide Guest Home, Golden Gate Lodging Home, Howard Avenue Rest Home, La Chaumiere Rest Home, LaSalle Gardens Retirement Community, the Lodge at Country Village, Love Rest Home, Marentette Rest Home, Pine Valley Rest Home, Richmond Lodge, the Rooney Lodge, University Rest Home and Walkerville Rest Home. All of these are listed as rest homes, yet we know they are not rest homes.

The same could be said for nursing homes. There are Beacon Hill Lodges of Canada, Brouillette Manor Limited, Country Village Nursing Home, Essex Nursing Home, Golden Gate Lodging Home, La Chaumiere Rest Home, LaSalle Gardens Retirement Community, Tecumseh Nursing Home and Victoria Rest Home all listed under nursing homes.

Just imagine how confusing it is to an individual looking for some place in which to have their loved one, or a friend or relative, get some decent care. He is confused as to whether it is a nursing home, a rest home, a lodging home, or you name it.

The facilities available in Ontario vary almost as much as do the people in need of care and treatment. We have hospitals with chronic care; we have rest homes; we have lodging homes; we have homes for the aged; we have group homes; we have boarding homes. The difficulty of identity is compounded by the fact that some of the facilities are the responsibility of the Minister of Health, while others fall under the jurisdiction of the Minister of Community and Social Services. Still others are the responsibility of the local board of health. There is no clear definition of what constitutes chronic care, or what is equivalent to custodial care.

Throughout this province there is a considerable concern about the lack of appropriate and adequate chronic care and nursing home space and domiciliary care homes such as rest homes. There are prolonged delays both for admission and, in some instances, for treatment of the individual to be placed in this type of facility.

Regulations are necessary; so are guidelines with respect to assessment of the individual, of the home, as well as reassessment. If rest homes are licensed and regulated, then this will go some way to ensure that people receive the appropriate care and that facilities are not overburdened with patients who would be better cared for elsewhere or, alternatively, need more medical or paramedical care than is available in a specific location.

Guidelines for assessment and subsequent reassessment are also vitally important and should be laid down. Each and every assessment should be based on the assumption that all types of care are available. Social and economic perspectives should not be taken into consideration. The prime factor—the only factor—is the extent and the type of medical attention necessary to meet the needs of the individual. Each assessment should be carried out by a qualified person who is very familiar with the medical history and current condition of the patient or the resident.

Psychiatric considerations cannot, of course, be overlooked. Diagnosis and monitoring of existing conditions are essential. Potentially serious aspects of the individual's general health must be taken into account, as well as the need for therapeutic and/or educational programs, even those which may be of comparatively short duration.

Drug programs need to be carefully monitored on an ongoing basis. The present confusion about assessment and allocation of patients cannot be allowed to continue. Our health services are hard-pressed, and no doubt this situation will worsen. We must clarify the guidelines with respect to the operation of the various types of facilities and care available so that everyone who needs care receives the kind of care he needs, while at the same time avoiding overcare, which places an excessive burden on our already overstrained resources.

While these problems with respect to rest homes and so forth are being experienced and have been experienced for a considerable time throughout the province, I have specific information available with respect to the situation in Essex county.

As the result of a suggestion made by the county district health council in the summer of 1977, a bed utilization task force was established and a discussion paper on bed utilization in Essex county was released in October of this year. I'd like to take this opportunity to bring some of these recommendations to your attention, Mr. Speaker.

The service carried out was quite extensive and detailed. No doubt, many of its findings are similar to those which would emerge from surveys made in other parts of Ontario. The bed utilization survey dealt solely with the medical care requirements of the patients and residents in institutional beds, be they any of the categories I have mentioned. Assessors were specifically instructed not to let social or economic considerations enter into this evaluation.

As to the recommendations, it was recommended that alternatives to institutional care be developed and supported. A geriatric day-care program, emphasizing both treatment and social activities, could be instrumental in keeping many patients and residents out of the institutional care system. Home-care programs, providing professional as well as custodial care, would provide a definite preventive alternative to institutional care and should be expanded to include chronic home care.

Palliative care programs, providing care at home as well as in the hospital, would reduce the institutional bed needs, while providing more appropriate types of care to the dying. Foster homes, satellite homes and other such arrangements could be of great assistance. All these programs would help to minimize the need for institutional beds.

It was also recommended that the Ministry of Health review its extended health-care program. Extended-care forms need to be reviewed, as do assessment forms and procedures. The consolidation of extended-care services under one ministry is a possibility which should not be overlooked. The survey discovered that more than 10 per cent of the cases reviewed would fall into the category of people needing heavy extended care. It was recommended that the Ministry of Health should recognize the existence of this category of patient and that an appropriate institutional level of care be developed. This new level of care would be reimbursed at a lower level than chronic care but at a higher level than extended care.

This is of particular importance in our discussion today. It was recommended by that committee that consideration be given to the regulation of rest homes in order to provide reimbursement, monitoring arrangements for the care provided, standardized alternatives to homes for the aged and nursing home care.

Mr. Acting Speaker: The honourable member's time has expired.

Mr. B. Newman: If I may continue for a moment, Mr. Speaker, I am almost finished.

Such regulations and monitoring would greatly assist referrals from other levels of care and help to alleviate the present situation where there is some financial pressure to place people in nursing homes and homes for the aged rather than in rest homes.

I strongly recommend the resolution presented by the member for Sarnia and hope it will be adopted by this House.

Mr. Cooke: Mr. Speaker, I am happy to see the member's resolution before us, and I am very pleased to participate in the debate.

I suppose this is a follow-up debate to the resolution from the member for Yorkview (Mr. Young) which was along similar lines. Perhaps his resolution is a little more comprehensive and more specific to a very serious problem here in Metropolitan Toronto, but I do want to comment briefly on it.

When we talk about lodging homes, we are talking about various types of residences, which would include the elderly, many ex-psychiatric patients and many mentally retarded individuals, of which some would be very young.

In the debate on the resolution from the member for Yorkview, the Minister of Health

(Mr. Timbrell) stated that the type of residents who enter rest homes and lodging homes really don't need any kind of care and, if they do need care, they should be in homes for special care, hospitals or nursing homes. He indicated quite clearly he felt these residents did not need care, and therefore the homes could be adequately regulated by municipalities through local bylaws.

If the Minister of Health and the Minister of Community and Social Services (Mr. Norton), who is here, visit Windsor in the near future, I suggest they come with me and visit some of the rest homes and lodging homes we have in my community. Maybe the minister could take a look at the residents who live in the homes and at the types of programs being offered, and then determine whether regulation is needed.

As the member for Windsor-Walkerville (Mr. B. Newman) mentioned in his opening comments, the Windsor and Essex District Health Council has done a bed utilization study which produced some very revealing statistics. I have talked about some of them in the House in the past, but I would like to go over some of them again, because I think they indicate the problem very clearly.

The bed utilization study indicated that only 65.1 per cent of the residents of nursing homes in extended-care beds were properly placed, and that another 26 per cent or 248 individuals could be in what they call residential care, which refers to the rest homes and lodging homes or homes for the aged run by the Ministry of Community and Social Services. Clearly, 35 per cent were improperly placed and 26 per cent of the total could be placed in rest homes and lodging homes.

As a result of the backup in nursing homes, there is a one-year waiting list to get into these homes in my community and in many areas across the province. We also find, because of the waiting list to get into nursing homes, that chronic-care beds in our hospitals are being improperly used; that only 37.9 per cent of those in chronic-care beds were properly placed; that a full 58 per cent could be placed in nursing-home beds. But, as I said, nursing-home beds are filled, often with residents who could well be in rest homes and lodging homes.

The end result is that active-treatment beds are being used by chronic-care patients who are waiting for chronic-care beds and, because these are filled with inappropriate patients, they cannot find the right kind of care either.

[4:15]

What I am saying is we have a health-care system throughout this province that is being backed up because the cheaper forms of care, the alternatives, have not been put in place. One of the alternatives is the rest homes and lodging homes. Rest homes and lodging homes would be a less expensive form of care than, say, active-treatment beds or chronic beds or even nursing-home beds. That type of statistic and that type of information should appeal to the present government because of its intentions to balance the budget. If for no reason other than economical reasons, the government should very seriously consider using rest homes and lodging homes as an important alternative to the traditional institutional forms of care.

The social planning council in my community recommended, I believe a year ago, and before that, that rest homes and lodging homes should be regulated and recreation and rehabilitation programs should become an integral part of a program at rest homes and lodging homes.

The mental health council for Essex and Windsor has also made recommendations. I understand, because there is no provincial regulation, that this particular body has to spend a lot of its time investigating complaints of residents and families of residents in rest homes and lodging homes. The other government-funded agencies that look into complaints at rest homes and lodging homes are the health units. They look primarily at health problems and how clean the particular home is and so forth.

When we're talking about alternatives, we have not only to look at rest and lodging homes but, to make sure the proper types of residents are in rest homes and lodging homes, we should also look at an even cheaper form of care and probably at the most important alternative—chronic home care. While we were promised chronic home care in the Windsor-Essex area as part of the rationalization program for hospitals, that program has not been implemented. We are now told we won't be getting it for two or three years.

If the government is to develop an overall health strategy, it has to begin by implementing chronic home care all across this province so that we can begin to take some of the residents who are currently in rest homes and lodging homes and, I would suggest, homes for the aged, who could make it at home and succeed at home but are currently in institutions because we don't have that type of home-care program.

Some residents could make it on their own if public housing were available for them. I

would suggest one of the alternatives the government has to look at is the establishment of public housing for those residents under the age of 60. Right now, many of the ex-psychiatric patients go into rest homes and lodging homes only because they can't afford to live in private housing. If they can find private housing, they have to live in slum housing because of the disability pensions that are provided for by this government.

I would suggest, if the government is really looking at proper use of institutions and preventive programs, it should look at providing public housing, geared-to-income housing, for residents who are under the age of 60 and single. We do not have that kind of housing in this province right now.

I had a young woman who came into my office earlier this year. She had been in and out of the hospital. I believe she was in her late twenties. She had been in and out of the Metropolitan Hospital psychiatric ward on several occasions suffering from very deep depression. She brought in with her a letter from her psychiatrist. I later spoke with the psychiatrist, who indicated one of the contributing factors to her continued relapses and rehospitalization was the fact that she was living in a very small bachelor apartment, which was not properly decorated, and not in a good building at all in one of the loneliest areas of the city of Windsor, an area that has a high crime rate. The poor atmosphere and environment in which this young woman lived was a very substantial contributing factor to her constant readmission to Metropolitan Hospital's psychiatric ward.

We wrote to the Windsor housing authority and to the present Minister of Housing and tried to get some policy changes. There are very few units available in the city of Windsor for these types of people. I asked questions in the Legislature of the Minister of Housing, and his answer was a flat "no"; they would not provide this type of housing in the province. I think that's a real shame. So what we have instead is the placement of individuals in unregulated facilities. That's what they are—unregulated.

The Minister of Community and Social Services points to Kingston. Maybe I could point to the city of Windsor and many other municipalities that do have bylaws but very inadequate bylaws; they talk only about fire regulations, square feet per person, cleanliness and that type of thing, but they do not talk about very basic things such as rehabilitation, recreation and quality of care. Any kind of regulation and inspection in the province would have to deal with those problems.

There is great confusion in this province over the different types of facilities. We have rest homes, lodging homes, homes for the aged, nursing homes. When families are looking for placements for a relative they can no longer care for at home, there is great confusion as to which type of institution they should go into. I've talked to many of my constituents who place relatives, and go for pre-placement visits, at rest homes and they feel they're actually placing the relatives in nursing homes.

Mr. Acting Speaker: The honourable member's time has expired.

Mr. Cooke: Okay. I didn't get through most of what I wanted to discuss.

I encourage members of this assembly to support the resolution, even though it is a somewhat watered-down resolution from the one I would like to see. I also suggest that at some point we will also have to deal with the problem of profit versus nonprofit in these types of institutions.

Mr. Lane: Mr. Speaker, I rise to speak in support of this resolution in principle. The resolution before the House this afternoon appears to be a good one in theory, but it has raised a good many questions in my mind because it's very vague in its content. It doesn't say very much in words; so I'm not quite sure what the member has in mind.

If this resolution means people can be assured of good standards of rest homes then I give it my personal support. If, however, it's to be done at the expense of community volunteers, then I'm not so sure this is the kind of legislation that is beneficial to issue from this House. It maybe should be dealt with more at the municipal level.

The Ontario government has shown its commitment to the support of improving the lives of all these people. Program funding has been extended to municipalities to assist them in building and maintaining rest homes. Many ministries are involved in providing benefits to people requiring housing or medical assistance, home care, nursing and vacation care, assisted housing and drug benefits. These are all solid indications of commitments to positive social programs.

All of us are aware that the next 20 years will bring enormous social changes as our society ages. One of our major efforts to deal with this situation is to promote the expansion of community-based services to support the elderly and physically handicapped.

The member for Sarnia mentioned that either the Minister of Health or the Minister of Community and Social Services would have to have the authority to license and

regulate these proposed rest homes. I would like to add one more ministry there—the Ministry of Housing.

The last speaker mentioned housing. In the north, where we have large, sparsely populated areas, as there are in Mr. Speaker's riding and mine, one of the greatest concerns of elderly people is where will they go when they can't look after themselves. We all have our own parts of the province where we've lived and made contributions to; we want to stay as near home as possible and yet, because of the lack of population, there is no way a nursing home by itself, or subsidized housing or rest homes, could be a viable operation.

I think we have to put together some kind of program that will involve these three ministries to provide a total-needs service in the north where the population is sparse and so our older people will not have to fear being dragged off 300, 400 or 500 miles to a larger urban area to get into a rest home or nursing home. So in my own riding at this particular time I am working with those three ministries to try to bring this type of a total-needs complex on stream. We will be starting, hopefully come spring, with the first phase, which will be the rent-geared-to-income housing.

I point this out because I think that is one of the greatest social problems our elderly people in the north are facing at this point.

I think we legislate too much sometimes. We have a lot of people in municipalities who want to make a contribution. In my area I have service clubs and many other people wanting to make contributions to physically or mentally handicapped children, or to the elderly people, et cetera. I think it is unfortunate if we legislate to the point this type of commitment is not allowed.

Home, as defined in the Homes for the Aged and Rest Homes Act, means a home for the aged or public rest home established and maintained under the act. Private home care is also included under this act. The regulations pertaining to private homes prescribe the conditions to be maintained within those residences, in which persons may be placed for private care. I must also stress that the regulations provide for inspections of private care homes.

As you can see, there are homes that are being monitored. I do not deny that every home in Ontario is not licensed and regulated by the province. Municipalities maintain and enforce their own standards, and there is always a possibility that conditions in some may not have reached the high levels at which all of us would wish them to be.

Where do we draw the line between defining the role and responsibility of establishing a rest home or a private home or a boarding house facility? Does the opposition want us to turn the province into one enormous conglomeration of institutions? For people who have no choice, any form of rest home would automatically be considered as an institution. This could be a real detriment to people who want to return to normal life. No matter how good or bad the place may be, there are certain popular misconceptions about institutions that are not always fairly applied to the residents. This could deny them the opportunity to live in the community regardless of their mental or physical infirmities.

This is a serious matter, Mr. Speaker. For families which must make decisions on behalf of elderly people or relatives this could be a particularly distressing situation.

All levels of government have a responsibility to help those people who can't help themselves. I would just like to say that in my lifetime I have had more satisfaction out of helping to provide programs in communities for physically handicapped people, or for mentally retarded children or for senior citizens, than I have from any other things I have worked on. I feel it is very rewarding and very self-satisfying. I personally would like to voice my thoughts; the member has given us something to discuss this afternoon that is very near and dear to my heart.

How should we do it? Of course, everybody might have different thoughts on that. I would like to point out that our government over the years has moved ahead rather rapidly in supplying services to people who can't supply the services for themselves and can't take care of their own needs. In dollars and cents, I don't know how many dollars we spend to provide necessary drugs for elderly people.

Hon. Mr. Norton: We've done a better job than anywhere else in North America.

Mr. Warner: Baloney.

Hon. Mr. Norton: There is no question about it.

Mr. Lane: Certainly our rent-geared-to-income housing in the north—and I don't refer to large urban areas because I don't pretend to know, but in the north it is certainly well received. It is one of the best ways I know to keep people together for as long as possible. We all know that if a couple can't stay together in a subsidized apartment they may have to be taken to a nursing home and then they are separated. I think this is unfortunate, in that in many cases one

partner has to go into a nursing home and the other a rest home or something and they are miles apart.

[4:30]

I would like to support this resolution in principle, Mr. Speaker. I like to think my colleagues in the various ministries will support my idea to try and provide total service needs throughout northern Ontario so no senior citizen need worry about being more than 50 miles from home at any given time in the sunset years of life. Within 50 miles may sound like a lot to people who live in a city like Toronto, but at home 50 miles doesn't mean too much. One can jump in the car after lunch, drive down to the nursing home or wherever mother or dad is, have a visit and be back home in time for dinner.

If that is the distance we are talking about then our people are not going to be divorced from their families and friends when they get to the point in life when they shouldn't be. By placing them 300 or 400 miles away we are simply shortening their lifetime and visits with family members and friends are going to be few and far between.

This is a very worthwhile topic. The minister has made some comments on it with which I agree. I know our government is committed to doing the best possible job in the future for our senior citizens and physically handicapped people.

Mr. Speaker, I want to thank you for the opportunity to take part in this debate this afternoon.

Mr. Speaker: The member for Kitchener-Wilmot. You have three and a half minutes.

Mr. Sweeney: Three and a half minutes. Thank you.

Hon. Mr. Norton: That's too long.

Mr. Sweeney: The first thing I want to say in response to the minister is that I was quite pleased to hear at least the tail-end of his remarks, which seemed to be saying he recognizes the particular need my colleague the member for Sarnia (Mr. Blundy) is drawing to his attention. If I understood him correctly he was saying he would at least support some form of registration of rest homes. That is a very positive step in the right direction; all we are asking is that the minister take a couple more steps. We would be quite prepared to accept that as step number one, and I want to compliment the minister on that.

I would like to comment very briefly on the comments of the last speaker and to assure him the members of our party, as of his, are concerned about the over-institutionalizing taking place in our society. We want to support any move that would get our people, whether we are talking about the retarded, offenders of the legal system, the handicapped or the aged, out of these large institutions. That is precisely what this resolution is all about.

What we are saying is we need a variety of options. This resolution is saying here is one of those other options, but if that option is going to be effective certain conditions must be present. The members of this Legislature must make certain the families of the aged who would want to use the option of rest homes, and the aged themselves, are assured that the option they are going to use is a suitable one. That is really all we are saying. We are not saying we want more institutionalization, we are saying exactly the opposite; we want to be sure the alternatives to institutionalization are good ones.

My colleague's resolution clearly reinforces the statement we have made so often to the minister, which is that we agree with him that community alternatives should be put in place. We have also said a number of times to the minister that those alternatives must be there and they must be of high quality before we can persuade anyone to use them.

I don't think my constituency office differs from that of any other member in this Legislature in receiving requests from the families for suitable places for relatives to reside in their declining years. These families are looking for a variety of places, depending on the ability of the aged relatives to look after themselves.

In my community, the older people and their families want them to stay in the community. Kitchener is a beautiful city. People live there all their lives and they don't want to move away as they get older. The township of Wilmot is a most hospitable and pleasant place to live. The people who have lived there all of their lives don't want to have to move away when they get older.

We want to be able to offer quality rest homes. We want to be sure that the needs of the people in those rest homes are guaranteed. I certainly support my colleague's motion and hope the government members will support it as well.

Mr. Blundy: It was very good to hear the support for this resolution from a number of the members of the Legislature today. I know there were several very good ideas brought forth that I had not included in my initial remarks, and I want to thank members for that.

I was really pleased to hear the views of the minister in this matter. He did say the matter is being looked at and there will possibly be some form of registration for rest homes. I believe the people of Ontario want that, because as has been pointed out by me and other speakers today there are both good and bad. The good ones are obviously filling a need in our whole system, a need that is less expensive than most of the other levels of care.

Also, a rest home can make it possible for an elderly person particularly to stay in their own area rather than go to a county home or something of that nature. That is another point in favour of it.

With these few remarks to wind up this very interesting discussion, I want to thank those who have supported me and I hope we will see some action taken in the way of assuring good quality rest homes in Ontario.

Thank you very much, Mr. Speaker.

PENSIONS

Mr. Mackenzie moved resolution 36:

That in the opinion of this House the government of Ontario should take immediate action to provide for the full portability and protection of pension benefit credits and specifically, that the government of Ontario should introduce legislation that would (a) reduce the vesting period for pension benefits to five years of service, (b) ensure full portability for terminated employees through the establishment of a government administered central pension agency to which all vested employer contributions and locked-in employee contributions could be transferred and which would maintain records, invest the funds and pay accrued benefits on retirement, and (c) establish a mandatory system of pension plan termination guarantees that would protect the pension benefit credits where private pension plans are terminated, in particular as a result of plant closure or relocation.

Mr. Mackenzie: Speaking in support of my resolution on pensions, I want to make it very clear at the outset we have not tried to deal with the many deficiencies in private insurance that exist in Ontario today. I am talking about private insurance in terms of private pensions.

There are many shortcomings. Two near the top of the list, which I haven't tried to cover are adequacy of coverage for widows and for women in the home as well as the work force; and the whole question of adequacy in terms of the increase in the cost of living for almost all of those covered under private pension plans. There are a number of others but I think these are two areas also in much need of some action.

I want to make it clear as well that by reason of private plan deficiencies and because of the need for portability—a great need given the new lifestyles today, which emphasize the need for additional protection and some uniformity of coverage across this province—and probably above all because of the need to establish the priority we feel those who have reached the status of senior citizen deserve because of their contribution to all of us in building our province, we need and should be looking at a comprehensive public pension plan to reduce the role of the thousands of private plans and companies involved to little more than auxiliary coverage to those who can afford it.

While this may provoke screams of outrage from private enterprise types, very powerful arguments can be made to support this particular position.

I find it fascinating, in going over the background on this, that in 1926, at the outset of our first old age public pension plan, several MPs in Ottawa argued that a means-tested benefit of $20 a month would undermine thrift. The Senate went so far as to chuck out the legislation because its members argued that the modest public provision for security for seniors would destroy the incentive for personal saving and for hard work.

Mr. Laughren: Despite their lifetime careers.

Mr. Mackenzie: Since those senators were all Liberal and Conservative appointments and in view of some of the positions I have heard on a variety of social issues in this House, I wonder at times if some of the present members aren't reincarnations of those Neanderthals of the 1920s.

Mr. Eaton: Why be nasty? I think we might even support you today.

Mr. Mackenzie: The argument heard for private saving today, the argument that adequate public pensions somehow conflict with individual thrift, is really from the same family of arguments we had in the 1920s. It seems to take a long time to move a very small way.

Many pensioners have come to the conclusion that the wages sacrificed to pay for a company plan do not produce the retirement security which they have a right to expect in return. If the social security system has reduced the incentive to save, as some would tell us today, the private pension system has perpetuated the illusion that additional private saving is not necessary. Economists have painstakingly calculated the sav-

ings lost to the economy because of social security. In my opinion, they would perform a better service by calculating the savings which did not take place because the employer pensions have not measured up to expectations.

At least the security provided by old age pensions and the Canadian Pension Plan has not proved to be an illusion. It's not difficult in Ontario to understand why providing pensions for the retired has always been an important issue; indeed in all of Canada, not just Ontario. The extent to which we are prepared to secure comfortable and satisfying living conditions for the generation which has built our prosperity is a tangible measure, and I think a true one, of social justice. When we establish arrangements for meeting the pension needs of a retiring wage earner or a woman whose main work has been in the home, we reflect, I think, our assumptions about their rightful position in society and our responsibilities toward them and the value of the contribution that they have made. The measure of social justice is inevitably seen by individual pensioners as a measure of their own worth.

Pension reforms have all too often been as a result of bitterness engendered by society's failure to respect the contribution that seniors have made by providing them with coverage for even their own basic needs.

As I said at the outset, we are not trying to deal with all of the problems. One of the reasons this resolution is on the Order Paper is because we have been waiting so long for the Royal Commission on the Status of Pensions in Ontario. I do hope when it files its report it will not be a cop-out and that it will come to grips with some of the problems that are perceived by almost all but those who just don't want to see. I acknowledge that we have made improvements in the years since the 1920s, but I have to remind my free enterprise friends that it's significant that almost all of the improvements have been in the public area when it comes to pensions.

In recent months some spokesmen for the private insurance industry, alarmed, I think, at their own failure to protect the value of private savings and pensions in an inflationary period, have called for limitations on the cost-of-living protection which some employer-sponsored plans, admittedly mainly in the public sector, have been able to provide. As usual, I find it a self-interest argument, and also, as usual, at the expense of the workers involved; an argument that seems to be the order of the day.

Indeed, where private interests used to lead in the race to see who could be the best Scrooge, they may very well be followers today, second only to this government in terms of people-bashing through budget restraints and cutbacks in essential services that affect these same people. The general weakness of employer pension plans in the private sector has been revealed to thousands of retirees who have discovered that their benefits cannot sustain the standard of living they had anticipated when they went into retirement. The current period of rather extensive industrial layoffs is demonstrating to thousands more that their company pensions are virtually worthless unless they are at least 45 years of age and have 10 years of service.

[4:45]

I am pretty sure most members of this House, if they are involved in any kind of a relatively heavy case load, have had an increase in calls from constituents who were relying on private plans for their future. In the ones who have talked to me at least, the anxiety and the disillusion is real.

The private plan was always seen as an extra measure of security and comfort in old age over the bare-bones survival allowed through the public plans we now have. Suddenly this is gone, and the shock sort of jolts their faith in the Conservative ethic. This government, in my honest opinion, will be making a very grave mistake if it is either too callous, too unthinking or too stupid to realize and react to this fact of modern life.

My resolution deals with three of the current shortcomings of the private pension plans, albeit three very important ones, and three on which the trade union movement, among other groups, has been very anxious to see some action.

In the first place, I think the resolution removes the straitjacket on obtaining private coverage through the 10 years-and-age combination. The simple five-year vesting provision, coupled with a government-administered central pension agency, for the first time allows some portability with protection for workers in the province. Perhaps just as important as the principle that pension benefits are deferred wages is the need to recognize that portability of pension credits is essential if working people are to be able to make rational choices about moving from job to job, as well as being able to accumulate sufficient pension credits to provide for adequate retirement income. Earlier vesting would not only provide for greater portability, but it would also go a long way to en-

suring that more workers would actually receive pension benefits.

Although on fairly short notice I wasn't able to obtain any Canadian studies which attempt to determine the difference between pension plan coverage and the actual receipt of pension plan benefits, I did come across some American evidence that suggested the problem is very alarming.

For example, pension expert Professor M. C. Bernstein has said, "The losses of the many provide the funds with which the payoff is made to the lucky few, just as at any honest racetrack." Ralph Nader, back in 1973, said that usually only one half of the people covered by pensions will ever collect a penny. The United States House of Representatives, in a study of pension plans in low-wage industries, found that only one out of 10 employees could expect to receive a pension.

There is little reason to believe the situation in Canada is much better. It is quite possible for a worker in Ontario—and this is a case I have dealt with, a personal example—to go through his working life with four or five or six employers, which is the standard in many cases now, and never be able to achieve vested status. This obviously has to change in this province.

The precedent of moving to more liberal vesting requirements has been recognized in Manitoba, which has established a vesting requirement after 10 years of service. If one province can introduce a progressive vesting standard based solely on a service requirement, then other jurisdictions can do the same in order to guarantee and protect employees' pension entitlements. As a result of this, the worker is not locked into a job without satisfaction or future. Through moves or transfers he or she can find the most satisfying job, which is also without losing future security. The five-year vesting goes a long way to this end.

I believe also that the worker should have the option to have the total contributions transferred to the central agency when leaving a place of employment or carried into a plan at a new place of employment if such provision exists in the new plan. I also happen to think that an added benefit of such legislation would result in a much improved degree of standardization in existing private plans. A worker who is entitled to a vested benefit should have, at least, the option to be able to transfer his benefit to a new employer's fund, if that is possible, or transfer his accrued vested benefits after termination to a central pension agency.

The reasons for enacting a central pension agency are basically, I think, as follows.

One, a worker who has several changes of employment and does not make successive transfers of benefits will be forced to deal with the problems of collecting pensions from several different sources.

Two, if the transfers are made between private pension funds, problems will arise because of the different actuarial assumptions between the plans. Certainly the administrative costs of individual pension plans would be reduced if we had the central agency.

A central pension agency already exists in permissive form in the Pension Benefits Act. All that is required is it be enacted that there be the additional capability of being able to invest the funds received. Interestingly enough —I've been doing a little checking—when Ontario first introduced the proposal the Financial Post strongly endorsed it. To take a quote out of an article, "If a pension is considered to be a form of deferred pay, why make its payment contingent upon staying with the same employer for a specific length of time?" the Post asked.

It went on to make the following suggestion: "To facilitate the transfer of pension credits from one plan to another when an employee changes jobs, the merits of setting up a central agency to hold such credits and thus ensure portability should be re-examined." Even Geoffrey Calvert, the staunch defender of the private pension system, came to the conclusion that the transferability and portability of pension credits could only be accomplished either through registered retirement savings plans or a central pension agency which would be the only other solution.

The investment policies of the central pension agency should be supervised by a board made up of government, labour and employer representatives. The tragedy is the pension legislation in many jurisdictions has permitted the pension authorities for many years to establish such a central pension agency. Given the poor and restricted vesting and portability provisions of most private pension plans, it is all the more imperative that the permissive nature of the pension legislation be activated to establish a central pension agency and clearing house. It would be desirable to require employers, under certain circumstances, to transfer pension credits to this public pension agency; to record, transfer and pay pension benefits.

We have not spelled out all of the details of a central agency, but it is also obvious that openness and a representative makeup

of authority is crucial. My resolution also calls for an end to the tragedies that befall so many workers who find the plan they thought they had is suddenly insolvent or non-existent. It does not matter, in my opinion, whether there is mismanagement or deliberate milking of a plan. There has to be protection for a worker's future when a plan is terminated, particularly as a result of plant closure or relocation. While Canada and Ontario have stricter funding requirements than the United States, it is still necessary to recognize the reality that pension plans are being terminated with fund deficiencies.

Perhaps the most notorious example is the recent example of Prestolite in Sarnia. The hardships and the tragedy that closing generated should not be allowed to happen again. I suggest to you, we have had far too many Prestolites and it is unforgivable, in my opinion, that this government has not acted before this to plug that loophole.

Either the government devises legislation which ensures the liabilities for a particular plan be extended to the ultimate corporate owners—I'm thinking of the branch plant economy when I say that—or it should set up a form of termination insurance similar to that of the Pension Benefit Guaranty Corporation in the United States. The termination insurance provisions in the US constitute a recognition in public policy that an employer who establishes a pension plan cannot, from that point on, isolate himself from the financial consequences of the promises made.

Because of the movement of plants, as well as of workers, from one part of the country to another, the government of Ontario should aim to co-operate with the other provinces and the federal government in establishing a mandatory system of contingent liability insurance against the termination of private group pension plans. There are those more able than I to work out the details of the form of insurance we need, financed by the employer and handled through the central pension agency or whatever other mechanism, although I happen to think the central pension agency is the best approach.

We are dealing here with a resolution, not a bill, and as I understand this House and its procedures that means we are dealing with the principle involved with some of the specifics of the issue without all of the minute clauses or clarifications necessary in a bill. We found it preferable to deal with the three major points regarding deficiencies I am making here via a resolution rather than trying to draft a bill.

I think what we have done with the resolution also allows for flexibility in approach. In my opinion the resolution deals with one of the most important weaknesses in the way we treat workers and their protection following their working lives and as senior citizens. It is a glaring deficiency in the private sector and it is important that we provide the coverage and protection outlined in my resolution.

I say to the members of this House as candidly as I can, and with the utmost urgency, in spite of all the reservations I have about propping up the private insurance sector people need this kind of help, this kind of coverage, and I am certainly hoping the members of this House will consider supporting the resolution.

Mr. McCaffrey: I would like to compliment the member, Mr. Speaker, for two reasons: first, for bringing together before us a matter dealing with pensions, underlining the importance of this great pension debate; second, for putting it in the form of a resolution, which as the member himself alluded at the end of his comments gives us some flexibility in talking about the good aspects of it.

I am supportive of much of the resolution, yet I can see at the outset it poses two very real problems for all of us when we discuss the matter of pensions.

Let's be candid: this is a complex question for all elected members, indeed for all laymen in society. When we talk about portability, pension benefit credits, portability for terminated employees, vested employer contributions, locked-in employee contributions, et cetera, we know darned well we are in a technical area in which none of us has any real expertise. It is important for us to be aware of this problem and to make sure the broad debate on pensions doesn't become the sole preserve of the actuaries, accountants and other specialists in the community.

The very complexity of the field and the extent of its impact leads many reformers to focus on several aspects of pension policy in isolation from the overall framework. This, in turn, encourages narrow responses and the cumulative effect is to deflect attention away from the broader and fundamental relationships between pension arrangements and their social, political and economic systems.

Effective reform must first define the issues in their broader terms in order to develop a comprehensive framework within which changes may be evaluated. Piecemeal revisions will simply aggravate the current lack of understanding which underlies much of the difficulty in pension policy formation.

For my part, I approach the topic with a view to reform and improvement. None-

theless, I hold some rigid convictions; or if it isn't too presumptuous to say, I approach the topic with my philosophical framework intact. My fundamental starting point is to state both the obligation and the right still enjoyed by individuals in our country to keep as much of their own money as possible to provide for their own retirement in their own way, exercising their own good judgement.

Next I recognize the obligations of employers to provide the best retirement plans possible. Prevailing rates of inflation and the demographic realities in our country demand this of them. Most have faced this challenge, many private sector companies have been leaders, but those who ignore their ultimate social responsibilities must know the risk: that inevitably some level of government, the state, will rush in if they fail to respond.

[5:00]

Mr. Wildman: What's the matter with the insurance companies?

Mr. McCaffrey: When the state makes obligations in the field of pensions, they deny us some of our fundamental liberties.

We've got national commitments in the field of pensions; they should be maintained and improved where necessary, but in my view limited to providing a basic level or retirement income. Let's make clear our view of the world, when we talk about pension reform. Every time we permit the state—

Mr. Kerrio: Clark's going to cut that out.

Mr. McCaffrey: —to take away more or otherwise manage more of our money, we are less free.

Mr. Kerrio: No more pensions in Ottawa.

Mr. McCaffrey: To knowingly concur in such arrangements is to admit that the state can better protect our needs and manage our affairs. I reject that.

Mr. Warner: It's fun to be poor.

Mr. McCaffrey: Turning now to the resolution and the matter of vesting—

Mr. Mackenzie: Back to the 1920s.

Mr. McCaffrey: —let's examine the vesting rules currently in existence. The basic rules for vesting are provided for under the current legislation, that is, vesting upon the attainment of age 45 and having 10 years of service with your employer. This is the minimum that may exist for any pension plan in Ontario. However, many plans have established vesting provisions far superior to this minimum under law, such as 10 years of service or other various graded schedules. These have been established principally through negotiations between unions and employers, and other employers have followed.

Other jurisdictions in Canada, with legislation substantially similar to ours, have also considered the matter of improvement in vesting standards through legislation. One of the problems that could be created and which would cause difficulties for national employers would be a different standard of vesting in each jurisdiction—this has been a matter of concern to the Canadian Association of Pension Supervisory Authorities—therefore any legislative action should be as uniform as possible.

Improvements in vesting standards are necessary, but before they're done the social and economic implications of these changes must be understood and acceptable to those who pay the costs of a private pension plan, be it solely the responsibility of the employer or jointly with the employees. In contributory pension plans, employees must contribute a part of their salary to the plan. In many situations, younger, shorter-service employees expect a refund of their contributions on termination of their employment rather than having a deferred vested benefit payable many years down the road.

Employers, therefore, would be discouraged if vesting requirements are too strict. This is all the more important given what I think is the fundamental starting point, that we want to encourage private pension plans; too costly a change would make many employers feel they could not afford to install a pension plan, or that if they did they would have to restrict the membership.

Legislation should only set vesting at a minimum level. These considerations lead me to recommend, by way of an amendment, that vesting be established at five years, with a 40-year age limit.

With respect to portability that is the right to take your entitlement with you to your next employer, that is already permitted under the terms of the act. It is possible, if pension plans permit it, for the pension benefit credit to be transferred to the plan of the new employer, to be used to purchase a deferred annuity from an insurer, or to have the credit placed in a registered retirement savings plan.

The law does not require this to be done, but it certainly makes it possible to do it.

An example of true portability is the Canadian Life Insurance Association portability plan, which allows an employee to transfer funds from one employer to another and obtain a credit for service. The objective of this plan is that employees will reach retire-

ment and obtain a pension which is based on all of their years of work. Fifteen insurance companies will have this plan in effect by the end of this year and another 35 companies are committed to having it in place by the end of five years.

As well, reciprocal transfer arrangements have been developed to permit free movement of pension credits between union pension plans.

The establishment of a government-administered central pension agency creates an illusion that a solution to an adequate pension at retirement is in place with such a proposal. In fact this does nothing to improve the situation, nor does it even represent portability as I have just described it.

At present a number of facilities exist for recording and maintaining pension benefit credits. These include facilities of trust and insurance companies for holding deferred pension benefits and registered retirement savings plans. When an employee terminates now and is entitled to a deferred, vested benefit, he will receive a statement showing the amount of the benefit and where to apply when he is entitled to receive that benefit. If a central agency was established, and I don't think it's a bad idea at all, he would obviously apply to the agency rather than the company. Should such an agency be established, consideration for a national agency would be paramount. Provincial agencies in each jurisdiction would obviously be cumbersome.

There are other problems that come to mind, such as the difficulties in determining the value of vested interest due to the types of plans in existence, particularly defined benefit plans such as final and career average. Who will guarantee this central agency will have enough money to guarantee payments of all benefits until the last annuitant dies?

However, in the interest of being supportive of this important resolution, I would like to make my second amendment to part (b) to read, "the establishment of a central pension agency administered jointly by the Canadian chartered banks and our national trust companies."

With regard to part (c), as the member himself indicated, this refers to the Pension Benefit Guaranty Corporation as established under the ERISA program in the United States.

Hon. Mr. Walker: I don't follow that. How does he have the right to get up?

Mr. McCaffrey: In the interests of time I won't go into some notes I had made on that, but there are some very fundamental and important legislative differences between the US and Canada, which in my judgement make this type of body unnecessary.

In the US, unfunded liabilities may be amortized over a period of 30 years.

Mr. Acting Speaker: The honourable member's time has expired.

Hon. Mr. Walker: You know how time flies when you're having fun.

Mr. McCaffrey: Do I have a minute to wrap up?

Mr. Kerrio: The member has 10 seconds.

Mr. McCaffrey: As I said at the outset, one of the clear problems in the proposer's comments, and to some extent in mine, is that we can get all wrapped up in the actuarial, detailed and technical aspects of this question when in reality—and I must compliment the member, if I may, for making no bones about it—he was no more than two minutes into the introduction of his resolution when he made it clear it was nothing more than an up-front attack on anything smacking of private at the expense of public—

Mr. Acting Speaker: The member's time has expired.

Mr. McCaffrey: —which I perceive as an attack on the individual in favour of the state.

Mr. Acting Speaker: Order. The honourable member for London Centre.

Interjections.

Mr. Peterson: Mr. Speaker, I'm very happy to rise and participate in this debate, because in my view it's a very important one. Let me compliment the two members who preceded me. I think they honestly represent two different points of view which were both well expressed. They were excellent contributions to the debate that's in front of us, because it is a fundamental question. It's one that is fraught with ignorance. It's one of the more complicated questions we face in this country, because it has profound social and financial ramifications for all of us and for our children who come after us.

I am very happy to see this debate initiated by the member for Hamilton East (Mr. Mackenzie). I'm going to support the resolution as a statement of general principle that we do need pension reform. Although I may take issue at the odd detail, fundamentally the resolution is correct. We do need reform. I don't want to be picky, except—

Mr. Kerrio: He is going to make six amendments. How does that grab you?

Mr. Laughren: Does the member mean he's going to support the member for Hamilton East?

Mr. Peterson: I'm very fond of the member for Hamilton East. He and I have a great deal in common, as I have noted in the past.

Mr. Laughren: Yes, the heritages.

Mr. Peterson: Let me say I would have preferred to have had this debate after the Haley commission comes down. We're now a year or so late and we'll probably be another six months. With any luck it will put some of these great questions in perspective in a cogent way that we can debate; to that extent I think the question is a little bit premature.

I was one of those people who followed with great interest the submissions to the Haley commission. It was interesting to note the very deep divisions. There were roughly two camps that presented reports to the Haley commission, which was involved with many aspects of the pension question and not just the ones we are discussing here today.

There was one group represented, and their views I think were eloquently expressed by the member for Hamilton East, that talked about the needs for retirement income. Those are realities. We have a society today where one out of two or one out of three pensioners, or people over the age of 65, senior citizens, are living below the poverty line, in fact are going backwards. They are the principal victims of the vicious inflation we have in this country. That is a real social tragedy and there is no question about it.

That point of view has been very well represented by a number of groups in front of the Haley commission and it was very well spoken about today by my colleague from Hamilton East.

There is another aspect to this question, and that is the whole financial question. It hasn't been dealt with. My friend from Armourdale dealt with some of the technical aspects and I think he made an important contribution, but some of the financial aspects of this question have not been dealt with heretofore and they are going to have to be dealt with. It comes down, in a simple sense, in a broad sense, to who is going to pay, to what generation is going to pay for what other generation, and whether we believe as a matter of philosophy in these massive intergenerational transfers of wealth.

We saw governments take on legal commitments in the 1960s, in the great spirit of liberalism, that our children are going to have to honour as some of the great pension plans run into negative cash positions, and in fact for all intents and purposes become bankrupt. That is necessarily going to mean an increase in tax rates. We have seen those accumulated pension funds so violently abused by government in order to finance current deficits, with no provision for creating savings for the future, that it has left this country in a very serious situation.

My authority on this is none other than Grant Reuber, Mr. Speaker, who as you know was chairman of the Ontario Economic Council, vice-president of the Bank of Montreal, vice-president of the University of Western Ontario and who is now Deputy Minister of Finance in Ottawa. He said: "The pension question, the pension debate, the pension crisis is more fundamental and more important to our financial future than any other question facing this nation, including the energy question." That is how important it is.

I think my friend from Armourdale is quite right: It is fraught with ignorance; there are very few people who understand it. I would respectfully submit that the average person you talk to on the street has no idea what his pension entitlement is and he is unfamiliar with a lot of the terminology and the concepts. That is certainly one of the places we have to start.

I would like to see included in this motion, I say to my friend from Hamilton East, some far tougher provisions for disclosure than those which are there at present. Only when we force pension plans to upgrade the level of information they are giving their beneficiaries are we going to start forcing people into this debate, because most people only start to think about these things when they are approaching retirement age, and by and large that is far too late to get involved in the question.

It has not been alluded to, but we are all quite aware of the changing demographics in this country and the fact that we are progressively becoming older as a nation, the fact that we are going to have fewer workers and more retirees, the fact that we are going to have fewer people contributing to the gross national product and more people trying to live off the products of their wealth in the absence of savings to look after that kind of thing. We are necessarily going to see higher tax rates and we are going to see an economy burdened with transfer payments to the older generation. That is going to start in the 1980s and it is going to become very serious in the 1990s, unless we start making provisions now.

Some of the broad questions are: Who should pay? Does one have an obligation to save up today, with employer contributions as well as his own contributions, to provide for himself? Generally speaking, I think that is the way it has to go. It has been so easy for companies, under some of the pension regulations we have had in this province, to give in on a pension question at union negotiations because it is an obligation that management group is not going to have to face. We have to look far more fundamentally at the question of total compensation bargaining, at how much we are putting away today. I totally agree with the point made by the member for Hamilton East (Mr. Mackenzie), or at least the point implicit in what he was saying, that the employers' contributions to the employee's pension fund belongs to the employee. I think there have been far too many companies that have totally abused it and used the pension plan as a form of bondage for the people who have worked for them. That should not longer be the case. I would like to see much tougher provisions, with legal entitlement to the employer contribution to that fund established far more quickly. There are a number of ways to handle that. My friend for Hamilton East has a solution for it.

[5:15]

At the same time, I think we must have some great sensitivity for small businesses, businesses not able to generate pension funds. There are a number of ways to compensate people today. Some companies choose to compensate a person with various profit sharing or bonus types of arrangements depending on performance through which that person is entitled to take all their earnings up front.

Some people, rather than putting it away for later life, choose to buy a boat or a Cadillac or something else. I don't think those people should necessarily be subsidized later in life because they haven't provided for themselves. We are today almost developing a system where we punish the savers and reward the consumers; we are rewarding the people who are into over-consumption.

I would argue very strongly that we have an obligation to impress the seriousness of the situation on people and assist them, through devices like—I think one of the most marvellous things invented in this country—the registered retirement savings plan which provides for tax deferral and takes money from high income periods into lower income periods so people can provide, to some extent, for their own retirement.

Mr. Laughren: I am sure you contribute to the maximum, too.

Mr. Peterson: Anybody who doesn't contribute to the maximum is foolish.

Mr. Swart: Or can't afford it.

Mr. Laughren: Or can't afford it.

Mr. Peterson: Well frankly you don't understand the maximum, because the maximums work in very funny ways. All these interjections are interesting. These Pavlovian responses from my friends to the left are predictable.

I am trying to discuss another aspect of the problem. I guess they are not arguing about the resolution on the paper today. Are they arguing for more pensions? What are they arguing for? I have no idea. Are they arguing for a bigger state-run pension fund? I have no idea what they are arguing for. They are talking from several different points of view.

Mr. Warner: Well if we are predictable, you should know.

Mr. Peterson: I want to make a couple of other points I think are important. I am very concerned about the management of public funds in this country.

We are creating two classes of people; those who have insulated themselves from the ravages of inflation through indexing and other types of government devices—

Mr. Kerrio: Right on, the government is partly responsible for that.

Mr. Peterson: —and those who are not part of any plan and haven't been assisted to look after their own old age. That is probably the most fundamental injustice I am aware of in society today. Someone equated it to the crew of a sinking ship taking to the lifeboats first. I think that is a fairly good analogy.

I only regret my time is over, because there are many other things I would like to discuss. But let me just say in my final sentence that I think this is a good resolution; I think it is a good start and it speaks very dramatically to the question of necessary reform in this province and in this country. It is a good start and I urge all my colleagues to support it.

Mr. Germa: Mr. Speaker, I am pleased to rise in support of the resolution presented by the member for Hamilton East on what I consider a very timely subject, but one which of course does not occupy people's minds for a great deal of their lives. It is very difficult to get a person aged 25 or 30 to become interested in his welfare some distant

time down the road; but inevitably, barring unforeseen circumstances, he will come there and start concentrating very earnestly on his situation as he approaches that magic age, called retirement age.

So I think it is timely for us to remind ourselves there is a problem, there are weaknesses in the system. I start from the basic underlying principle that all of the wealth and the benefits and the luxury you and I are enjoying at this moment, Mr. Speaker, are a result of labours in the past by our former population; our mothers, our fathers, our grandfathers and our grandmothers; it is as a result of their labours that you and I are enjoying the present standard of living.

It follows that if we are enjoying an increased standard of living as a result of their labours, consequently their standard of living should also be geared to the increased living standards you and I enjoy, because the two are related. I believe that is what the resolution is speaking to. As our standard of living rises, so the standard of living of our senior citizens should rise by the same proportionate degree.

We are facing a serious problem as our population ages, as the percentage of aged people increases. We are going to have problems in funding these various and myriad pension plans that exist across the province, and in fact across the country today.

Despite the fact there are thousands and thousands of different complex pension plans, only 40 per cent of the work force at this moment, or approximately 40 per cent of the work force, is contributing to private plans. Sixty per cent of the people will never have an opportunity to look after their own welfare, as suggested by the member for Armourdale (Mr. McCaffrey), and I think that is part of the blind eye he is putting on the picture. He doesn't understand that many people, in fact 60 per cent, never have the opportunity to contribute to a private pension plan and consequently will have to rely on the government sponsored universal plans which are in place.

Mr. McCaffrey: And other forms of assistance, which are also important.

Mr. Germa: The member for Armourdale also shied away from the motion in that it was too simplistic, it was too narrow and was dealing only with three items of concern. The person presenting the motion identifies there are so many problems in the private system pension plans that one would need a 10-page document, a 10-page resolution to bring all of the problems to the attention of this Legislature.

All he did, and he admitted it, was bring to the attention of this Legislature the three problems he saw as paramount in the present system of pensions in Ontario today.

Mr. McCaffrey: I support two of them.

Mr. Germa: It doesn't exonerate all of the other weaknesses.

Mr. McCaffrey: Fine, we've got lots of time to get to those.

Mr. Mackenzie: The people may not.

Mr. Germa: Certainly the member for Armourdale has worked in the pensions field and is very expert and just because we know it is a technical problem we cannot shy away from it, we still have to talk about it. We know it is very complex and technical; we know about the planning and the finance, the administration and the evaluation; and all of those considerations which must go into a properly administered and funded plan; we know all about that.

Despite these great problems we still have to talk about the matter. It is my opinion that a lot of these problems would go away if we had a universal plan in place which would accommodate most of the people's needs in this country. The private insurers then could fill in with those luxury items for those people who can afford it.

Only if we go to an expansion of the Canada Pension Plan are we really going to solve the problem, because there is no way we can administer, or police, or enforce any regulations in the thousands and thousands of plans which are presently in place.

Of course the governments of the day are such that they don't want to infringe on the private interests of the insurance companies. Make no mistake about it, that's where this government is. I think the member for Armourdale expressed it quite bluntly when he said he doesn't believe the government should be in the business whatsoever, and that the private interests, the private insurers, can administer the thing a whole lot better.

Let me say the money they are administering is not their money, it is money held in trust by them on behalf of the people who participate. That's the kind of money we are talking about. It is not their dollar, it is my dollar and your dollar. They have no jurisdiction without my permission.

Mr. McCaffrey: Right.

Mr. Germa: I would rather have my government administer my trust fund than have the privateers doing it.

At the present time, with the state of government in Canada as it is, we cannot expect the public plan to grow so we have to talk

about the private plans. We have to try and correct the mess it is in right now. Marc Lalonde, when he was Minister of Health in 1973, told us exactly what he saw the Canada Pension Plan to be. I quote: "The CPP was not set up to provide a total retirement income. Rather it was used as the middle tier of a three-tier sysem—Old Age Security, Canada Pension Plan and private benefit benefits and annuities. The first two components were geared to ensure adequacy, the third to provide whatever supplementary margin of comfort was desired."

He was talking about the private firms as providing just for the supplementary margin of comfort, but we see the government plan is not adequate so we have to rely on private plans for fundamental and basic needs.

Regarding the amendments put forward by the member for Armourdale, I have to reject them out of hand. He agrees with the five-year vesting but he wants the person to have attained the age of 40. A member of this Legislature was in the government plan and he has not yet reached the age of 40. He was ripped off twice of OMERS in the first instance when he was a civic employee; he also had service with the province under the public service fund and now he's in the Ontario Legislature. He lost his credits in OMERS, he lost his credits in the public service fund and here he is starting out again, and he has not yet reached 40.

That man has worked and contributed to funds and has no equity anyplace. Sure they paid him back his contribution at a minimal rate of return, but there's no guarantee the payback is even going to pay bank interest. That's a fundamental weakness. It's the losses of the many that are financing the benefits of the few. That's not how it should be. When you make an investment you expect to have a return. So the age-40 requirement will still wreak havoc upon those people who have mobility. Maybe they don't want mobility, but through circumstances they have to give up their contributions in the plan.

The second part of the amendment I reject quite easily, when he wants this central pension agency administered by the private sector. I would rather trust my government, as bad as it is, ahead of trusting the private sector, because their motivations are not in my best interest. They are not motivated to increase the benefits to me but to increase the bottom line profit figure, which is the goal of all privateers.

Mr. Acting Speaker: The honourable member's time has expired.

Mr. Germa: Thank you, Mr. Speaker.

Mr. Renwick: It's a good word to end on.

Mr. Eaton: Mr. Speaker, as we can see by the debate so far, the subject of pensions is certainly one that becomes increasingly complicated. To us, as we grow older, it's one that becomes more meaningful to us. I think it becomes a complex topic when one begins to look into the actuarial basis of our pension plans. It requires a great deal of rational analysis, which I must commend my colleague for Armourdale for presenting so capably.

It also hits on an emotional issue—

Mr. Mackenzie: You are another one of the class of 1926, are you?

Mr. Eaton: It also hits us on an emotional issue, for it involves our basic security. I think it means a lot more than just our security to us; it means a lot to our economy too as we think about the moneys that are invested.

Its real importance increases when others are dependent on us or when we become, for one reason or another, incapable of supporting ourselves and making enough money to provide ourselves with the necessities of life.

[5:30]

Generally, I am quite proud of this province's treatment of its pensioners. The assistance to senior citizens in their health insurance coverage is an example of the kind of program I support very strongly. We are doing the right thing, as well, in our co-operative efforts with municipal governments and with the private sector in making transportation and participation in social and cultural programs as accessible as possible.

Our retired people have served society by long years of work in one form or another, and by raising families and participating in our community affairs. They deserve the best we can afford to give them. Therefore, I am quite in agreement with the spirit of the resolution before us today. Basically, I support every one of the ideas, but like all good ideas, we have to examine each one in a very careful manner. We have to ask ourselves two things: do we really want to legislate all of this, or would it be more in keeping with the principles and policies under which the people of Ontario expect us to operate if we worked in a co-operative rather than a coercive way with the employers in this province.

Second, we must bear in mind that someone has to pay for every improvement in pension benefits, be they through government or private sector plans. The question is, can we afford them? Can we ask the private sector to foot the bill for increased

pension security out of its revenues; might the burden prove too great for it to bear?

I want to repeat the basic point that I accept the resolution of the member for Hamilton East. It is a matter of pure social justice to work as quickly as we can towards the finest possible returns we can have in pensions, but let's watch that the money we are talking about spending comes from a pot that is going to remain sound on a long-term actuarial basis. Let's not be guilty of trying to saddle free enterprise with yet another quasi tax burden. I don't think people will accept that, and personally I can't blame anyone who feels that way.

For better or worse, it is becoming less and less common for people to spend most of their working lives with one firm. Many of those who choose to work for the large or small employers in the province will have changed jobs several times before they reach retirement, and I think that example was shown by one of the members over there referring to a member who had come in here and switched three or four times. It probably applies to many in jobs like ours.

If accepting this resolution will help people in this sort of situation, I am all for it. By and large, any steps which stimulate economic activity in a general sense will prove more beneficial at this point in time than additional drain on the taxpayers or on the corporate revenues.

It is a big question and one on which we must move slowly and cautiously, albeit with a spirit of concern, generosity and justice. Our objective in considering these pensions is quite simple; to determine what is a reasonable basic level of pension protection that will be required by law and below which no plan can fall.

I am sure all these factors have been carefully examined and weighed by the Ontario Royal Commission on the Status of Pensions. This commission began its work in 1977 and I believe its report to this House is due in the early part of next year.

Obviously, it would be unwise of us to move toward any revisions of the 1965 Pension Benefits Act until we have carefully considered the commission's findings and recommendations. I am quite confident that the spirit of the commission's recommendations will be compatible with the resolution we are considering here today.

I know that these problems relate to plant shutdowns and bankruptcies and other forms of discontinuation of pension plans.

As people live longer and as the proportion of our population over age 65 continues to increase, more attention will have to be paid to those in the age brackets who are for one reason or another involved in this. Let us not forget, however, that we already have some very enlightened programs in place, both at the provincial and federal level, which help our seniors to achieve financial security. We have the Canada Pension Plan and the federal old age security pensions. We have the health programs. In Ontario we have the very fine Gains, or guaranteed annual income supplement program, which is of considerable assistance to our senior citizens.

Let us not forget, even though we hear all kinds of reports about the breakdown of the family, a good many of our citizens are quite prepared to help their retired parents and relatives in one way or another.

In preparing the comments for this ballot item I ran across a 1961 report of an Ontario commission on pensions. It was good reading, as I'm sure the current royal commission's report will be. I'd like to quote a few sentences if I may. I'm really addressing these to the member for Hamilton East and his colleagues; I'm pretty sure he would have this government foot the bill for improved pension benefits and urged increased regulations of pensions upon it.

"There is a tendency for the state measures that were orginally directed to the single aim of providing pensions to become involved with other and sometimes irrelevant or even conflicting objectives." That's a quote out of that report.

Further, "A state pension authority may prove a convenient administrative tool, along with that of unemployment insurance, for the payment of what is virtually relief, for the prosecution of fiscal policy, for discouraging people from travelling or living abroad, for equalizing income by ways of a means test, for internal or cross subsidies within the plan, especially from the young to the old, or even for inflicting penalties through withdrawal of pension rights." That's another quote from that report.

I think these are sobering words. I would conclude these remarks by urging this House to take them very seriously in any debate on pension policies and any conclusions arrived at in regard to pension policies.

Mr. O'Neil: I also am very pleased to be able to speak today on the subject of improving the administration of pension plans in this province. I support in principle the resolution put forth by the member for Hamilton East.

I'm particularly pleased that the main thrust of this resolution is portability of

pensions, because despite improvement in private pension plans in recent years lack of portability remains a prime shortcoming.

The difficulty in establishing portability in the private sector arises mainly from the many differences in pension plan design between one employer and the other. Lack of portability is not only a deterrent to the much-needed mobility of labour, it's also grossly unfair to employees. What is needed is a scheme to enable employees to carry periods of service from employer to employer.

I suppose this fact was brought home to me a number of years ago when my mother-in-law was employed by a local hospital. She was the dietician at that hospital and worked there for approximately 10 years. A food service business came into the hospital. She lost her 10 years of service in the pension and was forced to start a new plan, the rest being returned to her with interest.

I would also like to touch on a matter the member for Hamilton East mentioned briefly but did not expand on. That is coverage for women in our society. Vital pension reforms are needed for the surviving spouse. Our current pension system, by its very nature, effectively discriminates against females because they earn less. It also ensures that a substantial portion of females will spend their retirement years in poverty.

I would like to give members some new statistics on this subject. In 1976, of all participants in private sector plans two thirds were in plans that provided no widows' pensions; even when both private and public sector plans were considered, less than 60 per cent provided widows' pensions.

When members consider another basic problem, that pension plans only cover about half of the labour force in Canada statistically living beyond the age of 65, it drastically increases the odds a woman will live in poverty. Even if a woman has worked in the labour force herself she is not going to benefit equally with a man.

A Statistics Canada table showing pensioners of private plans by annual income reveals that females in every income level receive an average pension that is less than a male's. For example, in the lowest income bracket, less than $1,000 annually, while a male receives an average pension of $412, a female would receive $262. In the income bracket of $5,000 to $6,000, while a man would receive an average pension of $2,514, a female's pension would be $1,964.

Since women's earnings in Canada are currently 60 per cent of men's earnings and the Canada Pension Plan and private plans are based on earnings, women's pensions are always lower. Women who take time off to raise a family earn fewer pension credits; women who work part-time generally earn no pension credits.

I would also like to say a word on indexing. There is probably no element in our modern society more in need of revision than the current inequities of our pension schemes as they relate to elderly Canadians trying to exist on a rapidly eroding fixed income.

This brings me to the last point I would like to mention, of which indexing is part. If inflation hadn't hit Canada so dramatically in the 1970s, probably most workers and employees would have been quite satisfied with the benefits provided by their pension plans. The cost of indexing is high. In some cases ad hoc catch-up increases have been made by private companies from time to time, particularly over the last 10 years. Indexing represents an open-ended and expensive commitment.

The challenge to private sector plans is one of making the pension fund moneys work for you. Wise investment of these funds in a well-diversified portfolio would best protect the purchasing power of the pension benefit. Coincidentally, the proper investment of these funds would help stimulate our economy, a point we have stressed in every one of our budget responses for the last four years. That would be a very welcome side effect.

In closing, let me repeat I am sure this debate will serve as the forerunner of the upcoming discussions on the findings and recommendations of the Ontario Royal Commission on the Status of Pensions. Surely there can be no individual in this Legislature who cannot support the reforms, so badly needed in our pension scheme, that will allow our elderly to live their lives in the dignity they so richly deserve.

Mr. Laughren: I heartily commend my colleague from Hamilton East for his initiative in bringing forth this resolution. It is something that has been needed for a long time. I have personally been involved only slightly in the whole pension debate, dealing with the stacking versus the integration of pensions, the member for Hamilton East is dealing with the problem from a much broader perspective.

The thing he is dealing with that I find so crucial is the whole question of both vesting and portability. Some of us can remember that the reason the Canada Pension Plan was set up in the first place was the private sector had not built a system that was portable. Thanks to the public sector we now

have a system called the Canada Pension Plan, that has portability, putting aside for a moment the whole question of the old age security program.

If there is one thing central to the mobility of workers in Ontario or any place else, it is that ability to be mobile. As long as there are penalties against workers moving from one place of employment to another, they are not mobile and there is a form of restriction on them which serves the employers' best interests but not the best interests of working people.

That is why I was appalled at the amendment proposed by the member for Armourdale (Mr. McCaffrey). His amendment changes the vesting provisions to read, "upon attaining the age of 40 and having five years of service with the employer", I ask you, Mr. Speaker, what has age got to do with the vesting of a pen ion? How can the member justify any age there? Why 40? What does it mean? What is the purpose of putting the age of 40 in there?

Mr. Mackenzie: To destroy mobility.

Mr. Laughren: Either workers are mobile—

Mr. Speaker: I would remind the honourable member that the amendment to which he refers is not properly before the House. I urge him to deal specifically with the resolution.

[5:45]

Mr. Laughren: I'm very pleased to hear that, Mr. Speaker.

By the way, I regard this whole resolution as a compromise resolution, but that's typical of my colleague from Hamilton East, he's very compromising. What he is saying is he's going to improve the pension system the way it is now in the province of Ontario, and that's a compromise. He's allowing it to remain, to a certain extent, the way it is now, whereas in fact if you look at that plethora of pension schemes in this country you really have to question the efficiency of the overall system.

We have old age security, the Canada pension, the supplement, the private pensions. the Gains supplement; how can one possibly say that's an efficient pension system?

The member for Armourdale and the member for London Centre (Mr. Peterson) both showed their true colours: In one case, the member for London Centre was talking about RRSPs being such a great thing. We know who takes advantage of RRSPs. He expressed surprise when we said we bet he provided or contributed the full amount, the maximum. "Of course," he says. "Doesn't everybody?"

Mr. McCaffrey: Hundreds of thousands of Canadian citizens do.

Mr. Laughren: I want to tell you most people can't possibly afford to make any contribution to a RRSP, let alone the maximum. I understand the members over there don't understand that, but that's a fact.

The one thing we have come to accept in this country is pensioners require an income, and it is foolish, downright foolish, to carry on with the existing system. The private sector has not dealt fairly with pensioners. You need only look—

Mr. McCaffrey: The state shouldn't be in the business.

Mr. Laughren: Look at the life insurance industry and what they do with whole life policies, telling people who buy a whole life policy there's a saving component for their old age. What a lot of nonsense, because when you look at the returns on that component of whole life policies it is pathetic, it is downright pathetic. That's what your private sector has done to people who think they're saving wisely for their old age; it's simply not there.

I wish somebody would add up the entire administrative costs of the pension schemes in this country now. We would find it was horrendous. If we did away with workmen's compensation in this country, we would find how horrendous and how incredible the cost would be if the private sector looked after workmen's compensation all across Canada instead of having a central agency. We can question the way the Workmen's Compensation Board is run, but as an agency it is absolutely essential that we have it.

There were a number of comments that bothered me a great deal. The member for Armourdale seems to equate freedom with the freedom to manipulate funds or wheel and deal in funds in order to save for retirement. We're talking, by and large, about people who don't have those kinds of funds to play with in the first place.

The member for Armourdale worries that if we have too strict vesting rules it will discourage employers from establishing pension funds in the first place. That should not even be negotiable. Workers should be entitled to a pension plan, period.

When the member for Armourdale says if we make the vesting rules too strict we will discourage employers, what he's really saying is there is no obligation on the part of employers to establish pension funds in the first place.

Mr. McCaffrey: No.

Mr. Laughren: Of course he is, that's exactly what he's saying.

The point the member for London Centre made was employees should be able to get their contribution out of a fund when they leave, if there's termination or if they quit. Perhaps the members need to be reminded that when an employee negotiates a pension fund in any given year—

Mr. Speaker: The honourable member's time has expired.

Mr. Laughren: —employers' contributions to a pension fund are in lieu of wage increases and should be regarded as such.

REST HOMES

Mr. Speaker: The first item to be considered is the resolution standing on the Order Paper in the name of Mr. Blundy. Any member objecting to this question being placed before the House should now rise.

Does the resolution have the concurrence of the House?

Resolution concurred in.

PENSIONS

Mr. Speaker: The second item to be considered by the House is the resolution standing in the name of Mr. Mackenzie. Any member objecting to this question being placed before the House should now rise.

Does the resolution have the concurrence of the House?

Resolution concurred in.

EDUCATION FUNDING

Mr. Speaker: I want to draw to the House's attention that the petition of the Ontario Federation of Students tabled by the member for Windsor-Riverside (Mr. Cooke) calls for the expenditure of public funds. It is therefore, by standing order 19(f), out of order as a petition to the Legislature. However, as the petition cards are actually addressed by the signers to the Minister of Colleges and Universities (Miss Stephenson) and not to the Legislature, they have been forwarded to her office.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, pursuant to standing order 13, I'd like to indicate to the House the business for tomorrow and next week.

Tomorrow, the House will consider in committee of supply the estimates of the Ministry of Revenue; on Monday we will continue in committee of supply considering the estimates of the Ministry of Revenue.

On Tuesday, November 20, we will consider legislation in the afternoon, and in the evening second reading of Bill 160, followed by Bill 156; and then completion of committee of the whole House consideration of Bill 122. Following that we will consider second readings for Bill 146, Bill 147, Bill 173 and Bill 172 in that order.

On Wednesday, November 21, the justice, general government and resources development committees may meet in the morning.

On Thursday, November 22, in the afternoon we will consider private members' public business. The first item will be ballot item 7 standing in the name of the member for Durham West (Mr. Ashe), followed by ballot item 8 standing in the name of the member for Kitchener (Mr. Breithaupt). In the evening we will resume the adjourned debate on the motion for adoption of the recommendations contained in the seventh report of the select committee on the Ombudsman.

On Friday, November 23, the House will consider in committee of supply the estimates of the Ministry of Revenue.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I'd like to table the answers to questions 339, 342 and 347 standing on the Notice Paper. (See appendix, page 4512.)

MISSISSAUGA TRAIN FIRE

Mr. Nixon: Mr. Speaker, I wonder if the members would consent to hear from the Minister of the Environment to see what he is doing in Mississauga and when he is going to open the QEW.

Mr. Speaker: If there are no objections and the Minister of the Environment is willing we'll hear him.

Hon. Mr. Parrott: Mr. Speaker, there are some developments I can report on.

The condition in the tank at this minute is very stable. The patch that has been placed on the car does not completely hold the vapour from escaping, but the people have been able to hook up a vacuum pump to a vacuum car and draw off the vapour in the car. At the moment, therefore, there is very little, if any, vapour escaping into the atmosphere. It is being drawn off by a vacuum pump, neutralized and put into a vacuum car.

The situation, as I understand it, is that the remaining liquid in the car, which must be drained off, is covered with a layer of

ice, perhaps six to 12 inches thick. The intent is to draw off that liquid because it must be drawn off before the car is moved. One of the interesting factors is if liquid chlorine becomes a gas it occupies 700 times the volume. That means there would be a great deal of gaseous emission if it became a gas.

They are now setting up facilities and I think by this evening will be ready to start the operation of taking the liquid off. The weather forecast indicates the winds will be from the north-northwest, which means if by the remotest chance something went wrong the emission would be blown over the area where people are evacuated. It is hoped those wind conditions will prevail and the liquid will be taken off as soon as possible.

No expert can tell us at this time the exact amount of liquid in the car or the rate at which it can be taken off; that will proceed with as much speed as is humanly possible. I think, without exception, every expert at the scene agrees the method we are now proceeding with is the one of choice and the only one that makes sense. I mean not only my own staff of course, but the Ministry of Health, the Ministry of Labour, occupational safety branch, the senior officials of the Canadian Transport Commission, the people from Chlorate, the chlorine institute, who have been technically handling the operation, as well as CP officials. Everyone, without exception, has agreed this method is the one of choice and the one we should proceed with.

With any good fortune that liquid will be removed in the very near future; and then, of course, we will be able to remove the car. With that the tremendous potential of that disaster will have been eliminated.

The House recessed at 5:57 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
105	4377	1	23	**Mr. Breaugh:** A slight point of order:

APPENDIX

(See page 4485)

ANSWERS TO QUESTIONS ON NOTICE PAPER

HSO-GROUP PRACTICE COMPARISONS

325. Mr. Breaugh: Would the Minister of Health table the most current data available through the hospital days reduction incentive information system comparing the performance of existing health service organizations and group practices with their districts? (Tabled October 19, 1979.)

Hon. Mr. Timbrell: The hospital days reduction incentive information system (HDRIIS) is the title of a computer program providing data comparing hospital admissions and days stay between HSOs and their defined districts and the province.

Following are the most current data from the June 1979 program run. The delay in reporting is related to the time necessary to compile the hospital data. This data is tentative, as further refinement is being developed in applying the appropriate roster to the month under review.

Comparison of Average Days Stay and Average Admissions per 1,000 Population between Health Service Organizations, Health Centres and Designated Populations

Comparison Period: June 1979

HSOs, Health Centres and Comparative Districts	Average Per Thousand Admissions	Days Stay
Sault Ste. Marie (Algoma)	9 (15)	70 (115)
St. Mary's (Perth)	13 (12)	103 (101)
Flemingdon (Metro)	6 (10)	59 (89)
St. Anne's (Ottawa-Carleton)	8 (7)	105 (58)
Caroline (Halton RM)	8 (11)	44 (80)
Wilmot (Waterloo RM)	8 (11)	59 (81)
St. George (Metro)	9 (10)	103 (89)
Charlton (Hamilton-Wentworth RM)	10 (11)	79 (87)
Medical Association (Parry Sound District)	10 (12)	104 (108)
East Hamilton (Hamilton-Wentworth RM)	8 (11)	57 (87)
Dundas (Hamilton-Wentworth RM)	9 (11)	48 (88)
Family Medical Centre (Hamilton-Wentworth RM)	7 (11)	66 (87)
Regent Park (Metro)	8 (10)	84 (89)
Mount Forest (Wellington)	12 (10)	100 (86)
York Community (Metro)	6 (10)	55 (89)
West Central Metro)	8 (10)	54 (89)
All HSO and HCS	9	75
All Districts	(11)	(89)
Province of Ontario	11	88

POLICE ACTIVITY IN LABOUR DISPUTES

333. Mr. Mackenzie: Would the Solicitor General inform the House as to the number and rank of OPP officers and the number and rank of municipal police officers and the daily costs for each group, who have been assigned to the picket line, or held in reserve near the site, on each day since the strikes started at: (a) Radio Shack, Barrie; (b) Boise Cascade, Fort Frances, Kenora; (c) Butcher Engineering, Brampton; (d) Canadian Gypsum, Hagersville? (Tabled October 30, 1979.)

Hon. Mr. McMurtry: The answer to question 333, Order Paper 84, will be ready on or about December 3, 1979.

FOREST REGENERATION

343. Mr. Foulds: Will the ministry provide in tabular form a listing of the five-year survival rates for districts reforested with nursery stock and tubed seedlings? Will the ministry provide separate figures for the two methods and detail both by species and height class? (Tabled November 2, 1979.)

Hon. Mr. Auld: I have prepared tables showing fifth year average survival and height growth by species for each district in the province that has a significant tree planting program. The survival figures are for the planting done in 1973 and assessed during 1978 at the end of five years. Tables have been prepared separately for bare foot nursery stock and container stock.

FIFTH YEAR AVERAGE PLANTATION SURVIVAL BY SPECIES
IN AREAS PLANTED DURING 1973-74, ASSESSED 1978
(BARE ROOT NURSERY STOCK)

Region	District	Species	Survival per cent	Height inches
Northwestern	Dryden	Jack Pine	76	50
		Black Spruce	55	27
		White Spruce	56	24
	Ignace	Black Spruce	44	30
		White Spruce	59	19
	Kenora	Black Spruce	63	29
		White Spruce	72	31
	Fort Frances	White Spruce	53	27
	Red Lake	Black Spruce	60	34
		White Spruce	61	30
	Sioux Lookout	Jack Pine	50	41
		Black Spruce	58	30
		White Spruce	67	24
North Central	Geraldton	Black Spruce	56	23
		White Spruce	60	26
	Thunder Bay	Red Pine	18	53
		Jack Pine	78	70
		Black Spruce	62	35
		White Spruce	74	28
	White River	Jack Pine	88	60
		Black Spruce	55	22
		White Spruce	67	22
	Nipigon	Black Spruce	85	24
		White Spruce	96	30
	Terrace Bay	Jack Pine	85	48
		Black Spruce	69	40
		White Spruce	81	30
Northern	Kirkland Lake	Jack Pine	83	70
		Black Spruce	95	20
	Timmins	Jack Pine	91	68
		Black Spruce	85	25
		White Spruce	79	17
	Chapleau	Jack Pine	52	57
		Black Spruce	65	22
		White Spruce	59	21
	Kapuskasing	Black Spruce	60	22
		White Spruce	37	23
	Hearst	Black Spruce	47	30
		White Spruce	59	28
	Cochrane	White Spruce	66	19
Northeastern	Blind River	White Pine	65	
		Red Pine	88	
		Jack Pine	80	
		White Spruce	73	
	Sudbury	White Pine	70	32
		Red Pine	42	30
		Jack Pine	87	60
		White Spruce	84	
	Sault Ste. Marie	White Pine	44	38
		Red Pine	80	38
		White Spruce	62	18
		Yellow Birch	20	27

Region	District	Species	Survival per cent	Height inches
	Temagami	Red Pine	77	53
	Wawa	Jack Pine	84	70
		Black Spruce	60	19
Algonquin	Algonquin Park	White Pine	63	28
		Red Pine	74	43
		White Spruce	74	24
		Red Spruce	86	20
	Bancroft	White Pine	78	
		Red Pine	72	47
	Parry Sound	White Spruce	42	
		White Oak	56	
Eastern	Cornwall	Red Pine	73	73
		Jack Pine	44	39
		White Spruce	57	21
	Tweed	Red Pine	66	
		White Spruce	66	24
		Hemlock	87	24
	Brockville	Red Pine	60	32
		White Spruce	87	21
		Cedar	51	17
	Ottawa	White Pine	63	
		Red Pine	64	
		Jack Pine	71	
		White Spruce	69	
Central	Huronia	White Pine	51	40

FIFTH YEAR AVERAGE PLANTATION SURVIVAL BY SPECIES
IN AREAS PLANTED DURING 1973-74, ASSESSED 1978
(CONTAINER STOCK)

District	Species	Survival per cent	Height inches
Kirkland Lake	Jack Pine	81	35
Hearst	Black Spruce	54	23
	White Spruce	50	18
Sault Ste. Marie	White Spruce	87	13
Wawa	Jack Pine	79	33
Fort Frances	Jack Pine	54	32
	White Spruce	69	21
White River	Jack Pine	76	30
	Black Spruce	68	15

344. Mr. Foulds: Will the ministry provide a detailed breakdown of the latest stocking levels for each Ministry of Natural Resources region in Ontario? Will the ministry present this information by regeneration method and working group? (Tabled November 2, 1979.)

(See sessional paper 242.)

AERIAL SPRAYING

345. Mr. Foulds: Will the ministry outline in detail the total amount of money spent on public relations, including radio, television and newspaper advertising, to justify the aerial spraying program in northern Ontario? Which newspapers, radio and television stations carried such advertising? Was the program designed internally by ministry personnel, or by an advertising agency? If the latter, which agency, and at what cost? Will the ministry also advise how much was spent on producing the booklet entitled In Answer to your Concerns about Aerial Spraying in Northern Ontario Forests? How many booklets were printed? How many were requested by individuals or groups? How many are in government stock? Why did the advertising campaign begin only after the spray program started, rather than in advance of it? What is the ministry's estimate of the number of people who have been convinced that spraying with Matacil and 2,4-D is beneficial, by the government's expenditure of funds on a public relations program? (Tabled November 2, 1979.)

Hon. Mr. Auld: Question: Outline in detail the total amount of money spent on public relations, including radio, television and newspaper advertising to justify the aerial spraying program in Northern Ontario? **Answer:** Advertising, space rates and air time only, $52,972; booklets (15,750 English, 5,250 French), $6,221; translations (ads, booklets, news releases), $874; creative design and production costs including typesetting for advertising and booklets, $7,498; total costs, $67,565.

Question: Which newspapers, radio and television stations carried such advertising? **Answer:** Twenty-eight radio stations ($19,072), nine daily ($15,360) and 28 weekly ($18,540) newspapers in northern Ontario including those in French. Also used one Winnipeg radio station to reach listeners in areas west of Kenora. (List of radio stations and newspapers follows). Did not use television.

Question: Was the program designed internally by ministry personnel or by an advertising agency? **Answer:** Overall public information program was designed internally. The media selection plan for the advertising was developed by an advertising agency, which also did the design of the ads and the booklet.

Question: Which agency and at what cost? **Answer:** The Ad Factory, 76 St. Clair Avenue West, Toronto. Media plan developed at no direct cost. Agency reimbursed through usual commission of 12.25 per cent recovered from the government's agency of record. Agency was paid additional $7,498 for all services related to advertising and booklets.

Question: How much was spent on producing the booklet? **Answer:** Printing cost $4,989. Part of the design and production costs were included in the designer's fee. Part of the translation costs were also for the booklet.

Question: How many booklets were printed? **Answer:** 15,750 in English and 5,250 in French; for use over a period of years.

Question: How many were requested by individuals or groups? **Answer:** A survey of all regions and districts in northern Ontario showed to the end of September, 1979, that 275 English and 115 French copies had been distributed to the public upon direct request.

Question: How many are in government stock? **Answer:** 11,400 English and 4,300 French are in stock in the MNR warehouse in Toronto; 4,075 English and 835 French, less any copies distributed since September 30, are in stock in field offices of the Ministry of Natural Resources and the Ministry of Northern Affairs.

Question: Why did the advertising program begin only after the spraying program started? **Answer:** In most spray areas the information program began before or during the spray program. At the time the information program was conceived, it was known that some spray programs would be commenced before the information program could be put in place. It was decided to proceed anyway because the information would be useful to people in areas where spraying might be carried out in the future.

Question: What is the ministry's estimate of the number of people who have been convinced that spraying with Matacil and 2,4-D is beneficial? **Answer:** No scientific survey has been conducted to determine level of acceptance of aerial spraying of pesticides. The ministry was assured by its advertising agency that the media plan developed would have a high penetration in northern Ontario and would reach at least 80 per cent of the population where radio and newspaper advertising was placed. One indication of the acceptance of the ministry's spraying program was the relatively low number of requests for

the booklet whose availability at no cost was promoted in all of the advertising.

Aerial spraying program in northern Ontario, 1979:

Radio stations: Algoma radio: Sault Ste. Marie, CKCY/CJOM-FM; Blind River, CJNR; Elliot Lake, CKNR; Espanola, CKNS; Wawa, CJWA.

Kapuskasing, CKAP.

NWOG: Thunder Bay, CKPR; Fort Frances, CFOB; Kenora, CJRL; Dryden, CKDR; Thunder Bay, CJSD-FM.

Sault Ste. Marie: CFYN and CHAS-FM; Sudbury: CKSO, CHNO, CIGM-FM and CFBR (Fr.); Thunder Bay: CFPA; Timmins, CFCL (Fr.); Hearst-Kapuskasing, CFLH/CFLK.

Trinor: North Bay, CFCH; Timmins, CKGB AM/FM; Kirkland Lake, CJKL; New Liskeard, CJTT; North Bay, CKAT/FM; Timmins, CFTI/FM.

Winnipeg, CKY-R.

Daily newspapers: Fort Frances Daily Bulletin, Kenora Miner and News, Kirkland Lake Northern Daily News, North Bay Nugget, Sault Ste. Marie Star, Sioux Lookout Daily Bulletin, Sudbury Star, Thunder Bay Times News/Chronicle Journal, Timmins Press.

Weekly newspapers: Atikokan Progress, Bruce Mines Sentinel, Chapleau Sentinel, Cochrane Northland Post, Deep River-North Renfrew Times, Dryden Observer, Elliot Lake Standard, Espanola Mid-North Monitor, Fort Frances Times, Geraldton Times-Star, Gore Bay Recorder, Ignace Courier-Driftwood, Iroquois Falls Enterprise, Kapuskasing Consumer Guides, Kapuskasing Northern Times, Hearst/Kapuskasing Le Nord, Little Current-Manitoulin Expositor, Manitouwadge Echo, Marathon Mercury, Mattawa Recorder, New Liskeard-Temiskaming Speaker, Franco-Tem; Nipigon Gazette, North Bay Living, Onaping Falls News, Rainy River Record, Red Lake District News, Sault Ste. Marie Shoppers News, Sturgeon Falls Tribune (bilingual), Sudbury Northern Life, Le Voyageur (Fr.), Sioux Lookout-Wataway News (native Indian); Terrace Bay-Schreiber News, Thunder Bay Lakehead Living, Wawa Algoma News Review.

FANSHAWE COLLEGE

339. Mr. Cooke: Will the Minister of Colleges and Universities inform the House as to whether Dr. James Colvin's legal expenses were paid in whole or part by Fanshawe College of Applied Arts and Technology, in addition to the cash settlement of $70,000? Will the minister further indicate whether any allowance for sabbatical leave, over and above the cash settlement, was made? Will the minister in addition report the total cost of all financial and other benefits granted to Dr. Colvin, and indicate what portion of these costs was met by Fanshawe College and what portion was provided by the Ministry of Colleges and Universities (Tabled November 1, 1979.)

Hon. Miss Stephenson: The information is not available in the ministry. It has been requested from Fanshawe College of Applied Arts and Technology and will be tabled when received.

CHICKEN LABELLING

342. Mr. Isaacs: Will the Minister of Agriculture and Food introduce a provincial program of labelling for chicken? If the answer is other than in the affirmative, will the minister provide reasons that are more convincing than the difficulty of labelling, given that it would appear to be no more difficult to label chicken than to label carrots. (Tabled November 2, 1979.)

Hon. Mr. Henderson: Labelling of chicken is a matter that comes under federal jurisdiction. Ontario packers and processors are required to comply with federal grade standards. Whole, dressed, and/or eviscerated birds (imported or domestic) that are packed and/or processed in Ontario, for sale to the public, are labelled with Canada grades. This grade labelling is not an indication of origin.

Packers and processors often handle imported and Ontario poultry in their plants at the same time, making identification very difficult.

Identification at the packer/processor or retail level would mean increased costs in labour and packaging, which could be passed on to the consumer.

The example of carrots was raised in the question. The Foodland Ontario identification on the label is done on a voluntary basis by the packers.

Due to the problems of packers identifying Ontario versus imported chicken, it does not seem feasible, at this point in time, to introduce a provincial program of labelling for chicken.

HIGHWAY OBSTRUCTION

347. Mr. Isaacs: Would the minister provide the guidelines that are issued to his staff concerning obstruction of one or more lanes of the Queen Elizabeth Way? Will the minis-

ter indicate clearly what steps are taken to minimize inconvenience and delay to drivers using that highway? (Tabled November 5, 1979.)

Hon. Mr. Snow: The Queen Elizabeth Way carries very heavy traffic volumes throughout most of the daylight hours. As some of the necessary maintenance work cannot be completed to the required high standards at night, our activities, of necessity, conflict with traffic.

During planned maintenance work, interruptions are minimized by closing only one lane at a time. This is sufficient in most cases to allow work to proceed; however, where work is required on the middle lane of the three lane sections, it is necessary to close two lanes for reasons of safety.

Construction projects for the QEW are developed with full consideration of the need to maintain traffic flow. Where possible, such work is staged to allow maintenance of two lane flow at all times.

In summary, due to the variety of maintenance and construction activities, it is not possible to set out specific procedures for every circumstance. However, the ministry staff are acutely aware of the need to minimize disruption of the smooth flow of traffic, while recognizing their clear responsibility for the maintenance of our highway system.

CONTENTS

Thursday, November 15, 1979

Legislative Pages 4471

Point of order re Mississauga train fire, Mr. Cassidy 4471

Teacher-board disputes, questions of Miss Stephenson: Mr. S. Smith, Mr. Nixon 4471

Energy exports, questions of Mr. Welch: Mr. S. Smith, Ms. Gigantes, Mr. J. Reed, Mr. Renwick 4472

Health service charges, questions of Mr. Timbrell: Mr. Cassidy, Mr. Cooke 4474

OHIP-OMA fee schedules, questions of Mr. Timbrell: Mr. Cassidy 4475

Assistance to students, questions of Miss Stephenson: Mr. Sweeney, Mr. Cooke 4476

Telephone charges, questions of Mr. Welch: Mr. Swart 4477

Aid to tobacco growers, questions of Mr. Grossman: Mr. G. I. Miller 4478

Carbon emissions, questions of Mr. Welch: Ms. Gigantes 4478

Vandalism, questions of Mr. Bennett: Mr. Hennessy 4478

Highway construction, questions of Mr. Bernier: Mr. T. P. Reid 4479

Utility services, questions of Mr. Welch: Mr. B. Newman, Mr. Makarchuk 4479

Mining machinery, questions of Mr. Grossman: Mr. Laughren 4479

French health services, questions of Mr. Davis and Mr. Timbrell: Mr. R. F. Johnston, Mr. Cassidy 4480

Preservation of agricultural land, questions of Mr. Bennett: Mr. Riddell, Mr. Swart 4481

Mississauga train fire, question of Mr. Auld: Mr. Bounsall 4482

Mississauga train fire, statement by Mr. Wells 4483

Petition re education funding, Mr. Cooke 4483

Report, standing general government committee, Mr. McCaffrey 4483

Reports, standing procedural affairs committee, Mr. Breaugh 4483

Motions to adjourn debates, Mr. Breaugh, agreed to 4484

Motion re transfer of ballot item, Mr. Wells, agreed to 4484

Highway Traffic Amendment Act, Mr. Snow, continued 4484

Architects Amendment Act, Mr. McMurtry, first reading 4484

Compensation for Victims of Crime Amendment Act, Mr. McMurtry, first reading 4484

Interprovincial Subpoenas Act, Mr. McMurtry, first reading 4484

Powers of Attorney Act, Mr. McMurtry, first reading 4484

Unified Family Court Amendment Act, Mr. McMurtry, first reading 4485

Statutes Revision Act, Mr. McMurtry, first reading 4485

Regulations Revision Act, Mr. McMurtry, first reading 4485

Assessment Amendment Act, Mr. Leluk, first reading 4485

City of North Bay Act, Mr. Bolan, first reading 4485

City of London Act, Mr. Van Horne, first reading 4485

Tabling answers to questions 325, 333, 343, 344 and 345 on notice paper, Mr. Wells 4485

Private members' public business on resolution 35 re rest homes: Mr. Blundy, Mr. Dukszta, Mr. Norton, Mr. B. Newman, Mr. Cooke, Mr. Lane, Mr. Sweeney 4485

On resolution 36 re pensions: Mr. Mackenzie, Mr. McCaffrey, Mr. Peterson, Mr. Germa, Mr. Eaton, Mr. O'Neil, Mr. Laughren 4497

Resolution 35 concurred in 4510

Resolution 36 concurred in 4510

Speaker's ruling on petition re education funding 4510

Business of the House, Mr. Wells 4510

Tabling answers to questions 339, 342 and 347 on notice paper, Mr. Wells 4510

Mississauga train fire, statement by Mr. Parrott 4510

Recess 4511

Erratum 4511

Appendix, answers to questions on notice paper 4512

HSO-group practice comparisons, question of Mr. Timbrell: Mr. Breaugh 4512

Police activity in labour disputes, question of Mr. McMurtry: Mr. Mackenzie 4512

Forest regeneration, questions of Mr. Auld: Mr. Foulds 4512

Aerial spraying, questions of Mr. Auld: Mr. Foulds 4515

Fanshawe College, questions of Miss Stephenson: Mr. Cooke 4516

Chicken labelling, questions of Mr. Henderson: Mr. Isaacs 4516

Highway obstruction, questions of Mr. Snow: Mr. Isaacs 4516

SPEAKERS IN THIS ISSUE

Auld, Hon. J. A. C.; Minister of Natural Resources (Leeds PC)
Bennett, Hon. C.; Minister of Housing (Ottawa South PC)
Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)
Blundy, P. (Sarnia L)
Bounsall, E. J. (Windsor-Sandwich NDP)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Cassidy, M. (Ottawa Centre NDP)
Cooke, D. (Windsor-Riverside NDP)
Dukszta, J. (Parkdale NDP)
Eakins, J. (Victoria-Haliburton L)
Eaton, R. G. (Middlesex PC)
Foulds, J. F. (Port Arthur NDP)
Germa, M. C. (Sudbury NDP)
Gigantes, E. (Carleton East NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Hennessy, M. (Fort William PC)
Kerrio, V. (Niagara Falls L)
Lane, J. (Algoma-Manitoulin PC)
Laughren, F. (Nickel Belt NDP)
Leluk, N. G. (York West PC)
MacBeth, J. P.; Acting Speaker (Humber PC)
Mackenzie, R. (Hamilton East NDP)
Makarchuk, M. (Brantford NDP)
Martel, E. W. (Sudbury East NDP)
McCaffrey, B. (Armourdale PC)
Miller, G. I. (Haldimand-Norfolk L)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K.; Minister of Community and Social Services (Kingston and the Islands PC)
O'Neil, H. (Quinte L)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Peterson, D. (London L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Warner, D. (Scarborough-Ellesmere NDP)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)



No. 109

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Thursday, November 15, 1979
Evening Sitting

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

STANDING RESOURCES DEVELOPMENT COMMITTEE

Motion for adoption of parts 1 and 2 of the final report of the standing resources development committee on acidic precipitation, abatement of emissions from the International Nickel Company operations at Sudbury, pollution control in the pulp and paper industry and pollution abatement at the Reed paper mill in Dryden.

Hon. Mr. Gregory: Mr. Speaker, before we begin, I believe the three parties have agreed that the time will be divided equally and we will have a vote at 10:15.

Mr. Martel: If necessary.

Hon. Mr. Gregory: If necessary; right.

Mr. Speaker: Is that understood?

Mr. Watson: Mr. Speaker, I am pleased to rise to speak to this report of the standing resources development committee on acid precipitation.

As a member of the committee, I would like to say I learned a lot about this subject during the hearings that were held. As a member of the committee, I appreciate the seriousness of this problem. It concerns all of us. I have some reservations about a few of the items in the report. I would like to outline a couple of things in general and then some of those reservations.

I think the report lacks some of the simplistic explanations of just what acid rain or acidity is doing to some of the lakes in our province. First of all, the best way I find to explain this and what it is doing to fish is to talk to people in terms of the acidity of the water, much the same as we could talk about hot water and cold water, because a lot of people understand that. In other words, there are species of fish which are cold-water fish; if they are put in a warm-water pond, through time they will not propagate themselves. The opposite is also true. The water, whether hot or cold, is still quite fit to drink and not a health hazard in that nature.,

The pH we are talking about with the acidity of some of the lakes really falls into the same kind of category; it is the quality of the water. Certain species of fish can stand a certain pH, some higher than others, some lower than others, but it still does not represent a health hazard.

Any people with swimming pools will know of acid treatments. I expect our Minister of the Environment has done a lot of thinking recently about acid rain and where the chlorine is coming down. I don't know if he is going to refer to that or not. That could be another subject.

This report doesn't mention the problems that will be created in areas other than on the shield. There is always a danger. When we compare it to acid rain in the Great Lakes or in areas where there is a limestone base, when the acid rain falls, it is overwhelmingly neutralized by the limestone or alkaline properties of the soil.

I would like to make that point very clear, because that is very important to farming areas in southwestern Ontario. We are not lowering the pH. We can't stop adding lime to soils to lower the pH, because in a lot of areas we do need lime. The addition of acid rain isn't going to help that liming situation very much. It is just in areas where there is no limestone base or anything of that neutralizing nature.

There are a couple of things in the dissenting opinions. In the transfer, I expect, from the interim report released in June on page 33 to the final report on page 33, in one of the dissenting opinions of the Conservative members, the asterisk got lost. It is fairly insignificant, but I do want to draw attention to it because one of the statements that the recommendation is based on is that the committee was told the problem was 100 times more serious than the eutrophication of the Great Lakes.

Our particular committee members objected to that statement, because it has really no background. It tends to be inflammatory.

Mr. Martel: Tell them to look at the Sudbury basin.

Mr. Watson: If it is 100 times on the basis of phosphorus, we are wrong. Is it 100, or is it 1,000? What is the basis for calling it 100 times worse than the eutrophication of the Great Lakes? That background for that particular statement has no subject. If it's

going to be in the pH of it, are we going on the pH scale, which is a logarithmic scale? That particular statement really has no meaning in that particular recommendation.

The other ones with which we wish to take exception are in the recommendations regarding the Inco control order in 2.6.4. This refers to the new technology; it says we should get the new technology if it's available, and we should have it down to 750 tons per day. We tend to disagree with the figure being in the recommendation because, if new technology comes along, I am sure the Conservative members would like it down to zero, or 75 tons per day. If the technology is available to take it out, let's take it all out. Let's not leave 750 tons a day in it.

The recommendation is a bit redundant because, if new technology comes along, one can be assured we are going to have that down as far as it will go.

The other thing is that the 1,500-ton target should be maintained or should be reinstated. Again, it's an instant solution to a problem that really should be solved at some time. I am not underscoring the seriousness of the problem; we do need to reduce the sulphur dioxide emissions.

In regard to the overall report, it is a report on a serious matter. The writing of it, in my opinion, does lack a little bit of objectivity. It has a little bit of bias in it; in fact, quite a little bit. When there are statements in the report, such as that the problem is 100 times greater than the eutrophication of the Great Lakes, and the preamble fails to mention that if we want to get it down to a 750 ton target, we are going to have a reduction of 6,500 jobs, it seems to me it is weighted just a little bit on that side. Essentially, we agree it is a very serious problem.

Mr. Gaunt: Mr. Speaker, I certainly do want to make a few comments with respect to this report. I, like the member for Chatham-Kent (Mr. Watson), served on the committee. I believe we started the hearings in January or February of this year. They were certainly very interesting and worth while. We had a lot of experts who came before the committee and gave us their views with respect to acid rain.

Up until that time at least, I was familiar with the problem only in a very elementary way. As the hearings went on and as we found out more information, which was then reported in the press, there seemed to develop a momentum of genuine concern on the part of the public, which felt we had been coping with most of our environmental problems in a very adequate way but, all of a sudden, we have this huge environmental problem—which, incidentally, in my view, has continued to build.

Together with the acid rain conference just a week or two ago, and the reports in the press which flowed from the tabling of the Canada-US study, all of this has served in a very useful way to bring this very serious problem to the attention of the public.

It is a serious problem, in my view. We know that at least 100 Ontario lakes and surrounding prime cottage country are dead; they are written off permanently. Another 48,000 are threatened within the next decade. Our vegetation is threatened. It even has human implications, particularly when one considers the possibilities of polluted drinking water and the release of heavy metals into that drinking water. If this continues over the next 50 years or beyond, who knows what sort of environmental damage will be done? It certainly appears now that damage, if it continues at the same level or relatively unabated, will be immense.

I want to deal for a few moments with the matter of the ministry program in so far as research is concerned. This is undoubtedly an ongoing thing, but I want to mention the matter of the 80-20 which we refer to and which originally came out of the hearings we had in February. The 80-20 came out of research done by the ministry, well-meaning research. I think it's fair to say we found out, after the Canada-US report came out, the research certainly was inadequate and, in some respects, fundamentally flawed. It was fundamentally flawed, as I indicated in committee, on three basic but very important points. It was flawed, first of all, on the basis it didn't measure air concentrations. Second, it didn't measure atmospheric flux. Third, it never measured the dry deposition.

We had some discussion in committee about this. Basically, while the ministry officials said their research didn't measure the things I have just mentioned, they felt their research did give them some kind of handle on the problem. That was the perception I got. There were many things the Canada-US report didn't say. I am the first one to agree the research is preliminary, no matter whether it's the research of the ministry, the research of the Canada-US team or the research in the States. I think this is a continual research problem. As we go along, we are going to find more and more answers and more and more key factors in the equation which we will find useful.

Given that fact, I still say the ministry research was rather wanting in many respects and for that reason, I think the Canada-US report pointed out, and properly so, that they weren't sure whether it was 60-40 or 50-50 but it certainly wasn't 80-20. I think more or less we quietly agree on that point because of research that has come out as a result of the Canada-US study.

Undoubtedly, because of the facts that did come out in the report of the joint team of scientists studying the pollution levels, we found that an average of 105,000 tons a month of acid rain pollution, produced by industry in Ontario and Quebec, fell on Ontario land. By comparison, only 59,000 tons of US pollution drifted north to Canada in an average month. About 29,000 tons blew south to the United States from Canadian sources. Actually what the report is saying is we are fouling our own nest. We are causing a lot of our own problems. Whether it's the 50-50 or 60-40 or whatever, we are still fouling our own nest. We have got to clean it up.

[8:15]

In that respect, we can make some moves here. It's to be hoped the moves will also be made in concert with Ottawa and the United States. But there should be no time lag as far as the action of this province is concerned. Enough is known about the problem, enough is defined, that we can do something about it. We don't have to have all the t's crossed and all the i's dotted before we do anything.

In that respect, as I said in committee, the minister in tackling this problem is not going to be able to do anything unless he comes to grips with the problem of Inco and its emissions. That is the biggy; that is the one we are going to have to come to grips with first. Otherwise, the minister is not going to have any credibility with the rest.

In that respect, the minister was understood to have said in committee that there will be meetings going on. Maybe in the intervening period those meetings with Inco have already taken place. But I suggest to him that if we don't clean up that 3,600 tons per day emission of SO_2, then we are in for a lot of trouble, and his ability to deal with the rest of them is almost totally wiped out. With the Inco problem, which has been a continuing problem over the years, we have the largest point source emitter of SO_2 on the continent. We can't deal with the rest of the SO_2 emitters in Ontario unless we deal with Inco. We can't get any kind of meaningful Canada-US agreement unless we deal with Inco. I suggest that is the pivotal action the minister has to take, and immediately.

Nanticoke is the next largest emitter of SO_2. It emits 405 million pounds per year. It is an Ontario Hydro plant. Lambton at Sarnia —another Ontario Hydro generating station— is next at 288 million pounds per year; Falconbridge at Sudbury follows with 235 million pounds per year; then comes Lakeview generating station at Toronto with 196 million pounds per year; and Algoma Steel at Wawa emits 183 million pounds per year.

Those are the big emitters in Ontario. Aside from Inco, Falconbridge and Algoma Steel, they are all emitting on behalf of Ontario Hydro. They all belong to Ontario Hydro: Nanticoke, Lambton and Lakeview.

In my view, the minister should, without delay, approach Ontario Hydro. As I said, the first priority is Inco; but, after that, the minister has to go to Ontario Hydro and say: "Look, you have to clean up your act. We can't have this going on any longer." If Ontario Hydro's response is, "It is going to cost us $1 billion over the next five years," then I would say in response, "That's too bad, but we will have to pay the cost." And the cost is obviously going to be borne by the power users in Ontario.

What I am saying essentially is that, no matter what the cost in this instance, we can't afford to neglect it or not pay it. I think it is a question of cost-benefit. In my view, the situation has to be cleaned up if we're going to preserve any semblance of environmental integrity.

When Ontario Hydro starts talking about Nanticoke I would suggest the Ministry of the Environment take unto itself a little muscle, a little backbone, a little cement and say, "Look, you're not going to build that coal-fired plant unless you put in the best available technology to remove the SO_2 emissions." It is available, it may be costly, but we have to be prepared to bear those costs in order to clean up this situation.

I know the minister is going to argue, as he is prone to, that while we can put forward a best effort here, we're still not going to solve the problem completely. Obviously that's true, because of the long-range transport problem we have in terms of air pollution. None the less the best move the province of Ontario could make in terms of showing good faith to our neighbours to the south is to take action to show we're really serious about this problem and we're going to do something about it.

In his parting shot in committee the minister said Ontario was prepared to act alone. I hope he is prepared to carry out that course of action if need be, at the same time working towards other avenues of action such as

an Ontario-Canada, Canada-US agreement with respect to this very serious problem of control of SO_2 emissions in both countries.

The problem with Inco, in my view, comes down to renegotiating a new control order. It has to be done. I would also suggest to the House through you, Mr. Speaker, that we consider the recommendation having to do with the assessment of the total cost of the pollution in the Sudbury area—the assessment of the health cost, the property damage, the injury to vegetation, and so on—as well as a complete economic analysis of the province from the environmental standpoint and from the standpoint of how much it's going to cost Inco to clean it up and what they can do with the byproducts of that cleanup.

What I'm really suggesting is an economic study similar to the one done by Jack Donnan of the ministry in regard to the pulp and paper industry. That was a very good study. It was well done. Mind you, the ministry hasn't paid a lot of attention to it but I think it was well documented. It was well done. A lot of work went into that study.

I'm suggesting that the ministry undertake that kind of survey. Whether it's done by Jack Donnan—and his experience would lend itself to do this sort of thing—or someone else is a judgement call on the part of the ministry. All I'm suggesting is that it be done. It could be done within a period of three months if Mr. Donnan and one or two other people were assigned to do it.

Up until now, the ministry has been accepting Inco's position holus-bolus. If Inco says it's too costly, the ministry's attitude is that it's too costly. I would like the ministry to be in a position to say, "No, it's not too costly if you do it in this way and by this means."

The ministry, in my view, has always been in a subordinate position. It has always been in a position where it may not actually accept all that Inco says but it isn't in a position to disprove it. That's where the problem arises, and the problem has been exacerbated over the last few years.

If this kind of study were done, it would give a little muscle and strength to the ministry in dealing with Inco. The ministry is going to have to be tough, and it can't be tough unless it has all the facts. For that reason, the minister simply has to come in with his own study and his own facts and figures—independent figures arrived at separately and apart from anything Inco has done.

I have taken a few minutes to express our concern and to urge the minister into action. I draw his attention to the recommendations on page 53 of the report. As a party to the committee report, I support them and I refer them to his attention particularly, because there are some things there that perhaps would alleviate the pressing problem we are faced with at the moment and perhaps would resolve some other problems at the same time in so far as Inco is concerned.

There is scrubber technology available in the world today that can deal with smelter operations. Inco has argued it really doesn't have the technology; that there is no technology that can do the job. I simply do not agree with that. The question Inco undoubtedly has in mind is the cost; but the technology is there. As I indicated previously, obviously there is going to be a high cost, but we have to pay it; we don't have any choice.

For this reason, I am pleased to stand here tonight and say I am rather proud, as a party to the report, to have worked on this problem, in a sense to have identified it in terms of public perception and, I hope, to have helped make some small contribution in defining what recommendations we should advance as a partial solution at least to this very serious problem.

Mr. Martel: Mr. Speaker, the minister's statements of the last couple of weeks have provoked me to rise tonight. He continues to be an apologist, as his predecessors have been, for Inco.

I want to deal exclusively with the control order, and I want to put it in the perspective that this ministry, for as many years as I have been here, has been bamboozled by Inco. I am going to cite some examples where Inco has been able to manipulate that ministry like you wouldn't believe, and this has continued even to recent statements by the minister that he is going to deal with the problem when the rest of the world is prepared to deal with it.

Even to this day, that ministry has yet to admit that Inco and Falconbridge destroyed the ecology of the Sudbury basin. If one goes back over the years, time after time I tried to get their scientists to admit that Inco created the devastation in the Sudbury area, and to my knowledge they have yet to concede that has occurred.

[8:30]

Interesting, too, is the type of coverup that's gone on over the years. I well recall in 1969, when we first learned a couple of people were working for the ministry—they were then in another ministry—by the name of Dreisinger and McGovern. My friend the

member for Huron-Bruce (Mr. Gaunt) indicates they need the background paper.

For 15 years, Dreisinger and McGovern were preparing the documentation which demonstrated the destruction in the Sudbury basin. No one knew. It was never made public until my friend from the United Steelworkers, Paul Falkowski, inadvertently found out Dreisinger and McGovern were following it right down the line.

We ultimately got those reports. They were sent down by bus by the former minister. He had them sent down because we finally found out about them. But for at least 15 years they covered up, that Dreisinger and McGovern were doing the work.

Let me give a couple of other examples of the coverup by the ministry in collusion with Inco. We used to have a fog condition—some members will recall I first started to raise the matter in 1968 and 1969—where, in a period of some seven years, there were 168 accidents and 11 fatalities on highway 17 west. We tried to prove that it was Inco's responsibility; that they were creating the atmospheric fog conditions which led to those accidents.

For a number of years the ministry put out a couple of reports which said it was the atmospheric conditions. The fact that Inco was dumping hot water at 212 degrees into Copper Cliff Creek, with all the chemicals that were in it that prevented it from freezing, was immaterial. Again, the ministry was an apologist. They argued it was atmospheric conditions. If you had the proper wind inversions, and it all come down at the appropriate place, you would have fog.

My friend Paul Falkowski and I—we were no scientists—went out and took the temperatures. We found out the water was coming out at 212 degrees. Inco refused to give us the data. They said it was confidential information. The ministry accepted it at face value until they could no longer dispute it. When we brought in a number of affidavits by men who had skated from Copper Cliff, down the creek, to Kelly Lake, that proved something was now causing the creek not to freeze over.

That ministry, for years, denied it was Inco. We suggested the creek had to be culverted in. Inco said it was too costly. The ministry said you couldn't do it. What did they do a couple of years ago? They finally culverted the creek in. Do you know how much fog has been there since, Mr. Speaker? None.

I suspect the ministry didn't want to have poor old Inco sued for all those fatalities. I suppose the time for taking legal action has gone by, and dear old Inco has been saved. The minister sat there and denied it.

Let me give another example: I'll quote from Hansard for this one, Mr. Speaker, because you will enjoy it so much. For two and a half years, Paul Falkowski and I complained to the Ontario Water Resources Commission, and then to the ministry itself, with respect to the drinking water at Inco. We said people were getting sick, and it was terrible. The Ministry of the Environment denied it categorically, starting when it used to be involved with the Ministry of Mines. Everyone over there denied it.

In 1971, I got a file. In that file, it said the following—and you have to remember that for two and a half years subsequent ministers, including Jack Simonett, Allan Lawrence and Bert Lawrence, all denied it.

I got a letter, supposedly, and attached to the letter was a whole file. It was written to the Minister of Health by the Honourable George Kerr. It said: "During my estimates, Elie Martel questioned me regarding the quality of drinking water at Copper Cliff smelter at Inco. It would appear that there have been complaints regarding the quality of water available at various fountains within the plant, and Mr. Martel indicated the colour of the water was most repulsive. There had been numerous incidents of gastrointestinal disorders in Lively, Ontario, because of the use of this supply. I attach hereto a copy of a memo from D. S. Caverly, general manager of OWRC, regarding this matter. You will note that it is a most unsatisfactory report and it would appear that little or nothing has been done to correct the situation." This is two and a half years later. Then he goes on:

"Inco, of course, is more or less noted for their apathy for problems such as this." The minister wrote that: "their apathy."

But let me go on to another letter in that file written by the minister's executive assistant:

"You will recall numerous complaints by Martel and Falkowski regarding the quality of water at the Copper Cliff smelter of Inco. I have now received the attached report from Dave Caverly which, in fact, admits"—get this—"that everything these gentlemen have been saying is true."

There were two and a half years of denial. This ministry finally, in all these inter-office memos, makes a mistake and sends me the whole file.

Mr. Gaunt: In a brown envelope.

Mr. Martel: In a brown envelope.

Then it says: "I am absolutely shocked to think that what we are apparently doing is requiring Inco to take interim measures only to improve the water distribution in the smelter."

He goes on in the second paragraph: "You will notice that Inco has apparently done nothing to proceed with the construction of the water treatment plant to improve the system, although a consulting engineer was hired in 1969."

In his final sentence he says: "Is it any wonder that the people vote NDP in the Sudbury area?"

That was the minister's executive assistant saying, in effect, we've denied everything these men have said for two and a half years and lo and behold, we are now prepared to admit it. Because it got into my hands, six months later there was a new drinking water system at Inco. If we had never got this file, I suspect the people would still be drinking bad water. Am I expected to have faith that this ministry is going to do anything or that I'll get apologies from this minister? They are going to wait until they can get everyone involved.

I'm not talking to the acid rain problem now, but the control order should have re-remained in place right from the beginning. My colleague the member for Nickel Belt (Mr. Laughren) will speak to this in a few moments. The control order should have been left in place, but Inco spent all its time and money somewhere else, regardless of the devastation in the Sudbury basin.

I must say it's interesting too that the former member for Sudbury didn't want me to speak about these issues in the House.

Mr. Laughren: Who was that?

Mr. Martel: Elmer Sopha. He said: "The member is right. The minister should correct it, but the member does not need to take the time of the House to discuss these matters." If they don't want to discuss it in the House, where else do they discuss it?

Mr. Minister, I want to tell you I was one of the few people who opposed the superstack. I have never supported the superstack. When the former Minister of Health, Matt Dymond, made that big announcement, I said: "The area that has been ravaged will now get a little rest. But they're going to spread it further out to areas less capable of accepting that kind of emission. You're simply going to spread it out and cause the destruction somewhere else." I was right.

I prayed for years, I must say, that we would get the proper wind inversions and all the atmospheric conditions that would bring it to southern Ontario. I prayed for it, and my prayers have been answered, because it's now devastating Muskoka and it's going to devastate other areas.

That interim measure—and that's what the stack was, an interim measure in 1969—became a permanent thing. Inco has taken its money and gone off to the United States to buy ESB, to buy a chromium plant, to buy anything it wants. But it won't save the area.

Mr. Kerrio: How would they make those moon shots, Elie?

Mr. Martel: We don't need them, but they're going to have them pretty soon in Niagara. Does my friend know what's going to happen? Some day the wind inversion is going to be correct. It's going to be in the spring, when all the fruits are in flower. What's going to happen? It's going to brown the whole thing out and, for that year, we ain't going to have any fruit.

Mr. Kerrio: They're going to be in big trouble if that happens.

Mr. Martel: They should have been in big trouble a long time ago.

Mr. Kerrio: They can't get away with that.

Mr. Martel: But over the years this ministry has been in the hip pocket of Inco, and there isn't a minister who has had the courage to take them on. They could have controlled it. The interesting aspect is that every time they have knocked down the control order, it has been when the House wasn't in session. Was that by design in 1972, 1974 and on other occasions when we couldn't get at it? Every time there has been an announcement that they are going to relax it for a while, it has been when the House wasn't in session.

This ministry in its relationship to Inco is a disgrace. It must and can only move—and forget about the stage it's at—to enforce that order, and the sooner it enforces it, the better off it is going to be. For a change, they might tell Inco to reinvest some of its money in Canada where it is going to do some good.

Mr. J. Johnson: Mr. Speaker, as a member of the standing committee on resources development, I feel it is imperative to speak on this issue which is of great concern to all of us. Its effects are felt not in just one area of Ontario but also reach into every centre of this province. In spite of what the honourable members of the opposition might say, this government does not control the winds and rains, but let me assure them that this government has and is and will continue to upgrade its regulations to ensure that the precious wealth and natural resources which we enjoy in this province will be preserved.

The speaker for the third party mentioned the serious concern that is created by Inco—and it is a concern—but one thing he neglected to mention is that when Inco was on

strike for nine months what was the difference? How much did acid precipitation decline? There was no difference. And where did it show up? Haliburton.

Most members will agree it is not a problem that can be attributed directly to Inco, but it is a worldwide problem. It is a problem that is certainly international. Inco is considered one of the major contributors—and there is no denying this—but we must also consider the fact that any large American city will produce as much sulphur dioxide as Inco does.

To begin with, I would like to point out that we in Ontario have been fairly fortunate as far as the acid rain problem is concerned. Unlike jurisdictions in Europe, we have been given plenty of warning about the effect acid rain can have on the environment and the potential danger of its continued proliferation. For example, as early as 1974 a rain storm in Scotland dropped precipitation that had the acidic equivalent of vinegar, a pH value of 2.4. The pH value of acid rain in Ontario, however, has been about 100 times less than that level. Thanks to the early warnings we have had about acid rain in Ontario, the Ministry of the Environment has been able to act quickly to meet the challenge this precipitation has brought to our environment.

In 1976, the Ontario government started a monitoring program so that we could understand the situation in the province, and to help make predictions about the future effects of acid rain. In fact, our monitoring program preceded that of the United States by two years.

Mr. Martel: They were monitoring 20 years ago.

Mr. J. Johnson: This monitoring of conditions is important work in the battle against acid rain. Until now there have been no year-to-year studies on the chemical composition of rainfall.

Mr. Mackenzie: Inco knows where you stand. You are on record.

Mr. J. Johnson: How come you people know the answers to everything?

Until now, there has been nothing that could provide us with a clear picture of the acid rain problems in the province as a whole.

As soon as the results of the monitoring are assembled, we will know what the state of the rivers and lakes are, as well as the strength of acid rain in the various regions. Armed with this information, the Ontario government will be able to go to industry in other jurisdictions and show them in detail the results of acid rain in this province.

[8:45]

While we await these results, we must not lose sight of the international aspect of the problem. For example, in the Muskoka region, one of the portions of Ontario particularly vulnerable to acid rain, the Ministry of the Environment has discovered that only 20 per cent of the pollution contributing to acid rain in that area came from Ontario. This means that 80 per cent of the pollution that caused acid rain in Muskoka comes from outside the province.

Mr. Kerrio: Let's declare war on them Yankees. Let's go after them.

Mr. J. Johnson: If my friend had sat on the committee, maybe he would have heard some of this.

Mr. Kerrio: I heard it. I know where it's coming from.

Mr. J. Johnson: The results of this Muskoka study match those made by other groups—in fact, two other reports, one prepared by the United States-Canada research consultation group on the long-range transportation of air pollutants and the final report of the resources development committee.

The total Canadian sulphur emissions are about one fifth of those in the United States, while the release of nitrogen oxide into our atmosphere is slight in comparison with the figures from south of the border. It is these figures that have caused me to look with concern at recent developments in the United States and, in particular, President Carter's proposed changes to American power generation.

The President's pledge to build about 100 new coal-fired generating stations will only increase the acid problem in Ontario as well as in the northeast United States. In fact, according to the United States Environmental Protection Agency, emissions from coal-fired stations are the largest single contributor to sulphur emissions in the United States.

To compound the situation, miners' unions and environmentalists are forcing utilities to use soft coal mined in Pennsylvania, coal that is heavily impregnated with traces of sulphur. This situation proves how complex any solution to the acid rain problem will have to be. This is a problem whose scope crosses not just economic and social boundaries, but political ones as well.

Many have said the Ontario government should have shut down industries that are emitting sulphur and nitrogen oxide as soon

as it was evident the acid rain problem was serious.

I disagree with that view. The point is that until the results of our monitoring programs and those of other jurisdictions are fully assimilated, no one knows what effect Ontario industries—in particular, Inco—are having on the environment of our province and the northeastern United States.

This lack of information has not prevented the Ontario government from taking some initiative in the problem. We have approached the federal government and the governments in the neighbouring American states and have found them in accord with our views about the seriousness of the problem and the need for some kind of international agreement to solve it.

Fortunately, the solution to the acid rain problems can only be made at the international level, and I hope members opposite have sense enough to recognize that.

Mr. Martel: We've got more sense than that.

Mr. J. Johnson: No state or province acting on its own will find a solution to acid rain, either in its jurisdiction or in anybody else's.

As the International Joint Commission's initiatives to clean up the Great Lakes seems to be succeeding at a far greater rate than was previously considered, Ontario must work with the federal government, the government of the United States and the governments of each individual state to work out a solution to acid rain. If our solution to the problem is to be both effective and lasting, I believe this is the only path we can take.

At this point I would like to quote an article from the Toronto Star of Tuesday, October 23. The headline states, "Great Lakes Cleanup Surprises Scientists." It says: "Great Lakes are becoming clean much faster than biologists had predicted, new Canadian and US scientific studies show. The effects will be seen in Lake Ontario within eight years.

"The National Oceanic and Atmospheric Administration of the United States said yesterday scientists' original calculations failed to include sedimentation as a natural water purifier. The new studies show it will take less than two decades, rather than centuries, for all the lakes, except Lake Superior, to be purged naturally of excess nutrients.

"The new findings are based on a computer study by Dr. Steven Chapra, a US scientist, and research by the Centre for Inland Waters in Canada."

It goes on to say, "The effects will be felt in Lake Erie within a year, in Ontario and Huron in eight years, in Lake Michigan in 13 years and in Superior in 32 years."

Hopefully with the combined efforts of all parties similar results will be forthcoming on our acid rain problems here in Ontario.

Mr. Eakins: As one who represents an area of Ontario very greatly concerned with acidic precipitation and as one very much interested in the tourism industry, I would like to rise and speak briefly in regard to this report.

In the past weeks and even months, acid rain has dominated the concerns not only of dedicated environmentalists in this province but of many citizens as evidence comes forth indicating the potential to destroy our farm crops, our forests, our fish stock and the aquatic life which inhabits our lakes and rivers. It is invisible, one can't smell it, feel it or even taste it, but it is there and it is one of the most serious environmental problems facing us today.

This acidic precipitation, known to us as acid rain, is threatening and destroying life in thousands of lakes in eastern Canada. This acidity is also suspected of stunting forest growth and spoiling plant foliage. We are told it can corrode the metal on a car and even eat away a building. Human health may also be affected.

The effects of acidic precipitation are slow but sure and many of these effects are irreversible. The problem must be tackled before it is too late. We know in some cases nature can cope with this problem. We know that lakes with limestone bottoms are able to buffer or neutralize the acid. Some hard-water lakes contain compounds which neutralize the acid. But large areas of Ontario and other areas of Canada have lakes which do not have much limestone and which are not well buffered. These are the lakes which end up crystal clear, but lifeless graveyards. We know buffering materials such as limestone can be added, but such treatment is only short term and may not regenerate aquatic life.

As the member representing a large affected area, the counties of Victoria and Haliburton, I am naturally greatly concerned for the future of our lakes and for the future of the tourism industry. I think all too often too many people in our province and perhaps here in the Legislature do not fully appreciate what the tourism industry means to the economy of this province. It means something in the neighbourhood of $5.5 billion. It means something around 400,000 jobs. It would be interesting to know through the minister how many jobs have been affected, especially in northern Ontario, in Victoria-Haliburton and in the area of Algonquin

Park, which have already been affected by the problems of acid rain.

I hope in the days and weeks ahead the Minister of Industry and Tourism (Mr. Grossman) will make a very strong approach and pitch to the minister on behalf of this great industry, for it is the second largest industry in Ontario and one which cannot be taken lightly. It needs a greater profile and a greater priority, and that cannot come about unless we meet head on the problems of this acidic precipitation.

Haliburton county, as I have mentioned, is very dependent on the tourism and hospitality industry. The potential job loss must not be underestimated. The loss of what might be considered a few jobs in some larger urban areas can spell economic disaster and hardship for a county like Haliburton which is dependent, almost totally, on the tourist industry.

Mr. Speaker, when questioned in this House by my leader, the Premier (Mr. Davis) almost always refers to the possible loss of jobs if action were taken against Inco. I can only say I wish the Premier would turn his attention to the county of Haliburton and other areas of Ontario where their livelihood is so dependent on clean environment. The counties I represent, Mr. Speaker, and especially Haliburton, desperately need more development and more jobs, not the potential for a loss in employment.

At the recent conference in Toronto it was pointed out that acid precipitation and its damages will continue to escalate as Canadian and US industries shift toward a greater reliance on coal. It is important, therefore, that each country immediately adopt and implement a control policy for both new and existing sources to reduce the overall atmospheric loads of sulphur and nitrogen oxide to less than 50 per cent of present levels within 10 years and continue further reductions as soon as possible. As one vitally interested in the tourism industry, I agree that government must educate the general public and especially the threatened agriculture, tourism and forest industries about the dangers of acid precipitation and encourage public participation in government decision-making.

We look to you, Mr. Minister, for leadership and you have our full co-operation.

Mr. Laughren: It gives me great pleasure to follow the Liberal speaker. I was just sitting here scanning some old press clippings—not so old, as a matter of fact; the Standard of Elliot Lake, Wednesday, October 31, 1979. "Al Stong, MPP for York Centre"—he is a Liberal—"visited Inco Saturday and left the company convinced that Inco and its representatives are 'just as concerned as we are in the south'" Further on, "'I am going to suggest,' he says, 'in caucus that perhaps we should monitor the situation with the help of people in the industry.'" And further: "'They always have the alternative of shutting down. If it is too expensive to run the operation, they will just shut down and what happens to northern Ontario then?'" The member for York Centre perhaps should be sitting in the seat Mr. Sopha sat in at one time. They had similar concerns about the pollution of the environment as a result of Inco's superstack.

Mr. Speaker, one of the reasons I supported the superstack, unlike my colleague for Sudbury East (Mr. Martel), who didn't want it, was I felt if we could ever get the pollution, the SO_2, out of the Sudbury basin, we would have some concern expressed in Ontario. As long as it was left with the people in Sudbury to swallow, there was not going to be a major issue in this province over SO_2 emissions from Inco's superstack.

Well, Mr. Speaker, the problem of acid rain coming from SO_2 emitted from the Inco superstack is not a complicated problem. It is not like the problem of the deaths on the highways which is a very complicated problem because we know the tradeoff is a very difficult one for society to deal with. It's not as complicated, for example, as the whole nuclear question. It is a complicated phase of tradeoffs that must be made there. In the case of acid rain as it reflects on the operations of Inco Limited, it is not at all a complicated issue. It is simply a case of whether or not Inco Limited will be required to pay for cleaning up its operation and reducing the level of emissions from its superstack. It's as simple as that. It's not a question of whether they can afford it. It's not a question of whether the technology is available. We know it is. Inco knows it is. The minister knows it is. So the debate is not about whether the solutions are possible but rather who shall pay for the solution.

There are options in terms of who shall pay. It can be the public, through increased medical costs, because that is a factor. It could be the public through lost tax revenues from a tourist industry that suffers, as my colleague from Victoria-Haliburton talked about. There is lumbering. The whole small business community suffers because of the high standards. A federal report, disputed though it is, indicated the costs were $400 million a year. That was the social and eco-

nomic cost of the sulphur dioxide emissions from Sudbury—$400 million a year.

Interjection.

[9:00]

Mr. Laughren: The minister can dispute those figures if he likes but would he put new ones in their place? The minister has failed to do that.

The alternative of course is that the polluter pay. The polluter will pay. That is the option with which the minister has refused to deal.

While I was wandering aimlessly through a library, I came upon a report commissioned in 1947 by the Ontario Minister of Mines. The name of the Ontario Minister of Mines in 1947 was Leslie Frost. The report was done by the Ontario Research Foundation, by Mr. R. J. Cole, and in it he talks about SO_2 emissions:

"The present discussion is limited in another direction, that of the damage caused by sulphur gases and smelter fumes. Sulphur gases may be removed from fumes to recover a valuable byproduct and prevent damage. The question of how much damage is caused by the smelter fumes in northern Ontario and what amounts of sulphur gases can be safely emitted to the atmosphere is beyond the scope of this report. However, it does not appear probable that all of the sulphur gases can be removed or recovered without serious financial loss."

There we were 32 years ago. The same argument is being made by this government —they must not make people pay those kinds of costs. That was 32 years ago.

By the way, in those days, about 2.5 million tons a year were being emitted? Now about 1.3 million tons are being emitted each year. If we accept the minister's argument, just as it was made 30 years ago, the same argument will be put to us 30 years from now, because this government never seems to change.

I lent this minister an Inco document with which he is quite familiar by now. If he isn't, it is called Inco SO_2 Abatement Budget Book, dated in 1975. In that book they made it clear it was quite possible to reduce their emissions to, in their words, 3,800 tons a day by October 1975; by December 1978, 2,000 tons a day; and by December 1979, 1,500 tons a day. In that report, they said it would cost $299,198,000.

Then they sent a letter to the regional director, northeastern region, Mr. R. A. Moore, and they said, "Within the past few weeks, this engineering work, with the necessary corollary cost estimation, has revealed an increase in capital cost which indicates that our May estimate of $200 million must be increased to at least $300 million and considerably more if potential necessary additions to the sintering equipment prove to be necessary."

Finally, "This situation obviously requires a complete reassessment of our position, since the economic and commercial feasibility of the proposed project has fundamentally changed."

And here is the crunch: "A program which is not economically and commercially feasible is in fact not technologically feasible."

What did the minister do? The minister tabled that letter four years later—four years later—in the committee hearings. He has tabled no other document to indicate whether they believed that statement in 1975, whether in 1975 they felt it really was unfair to force Inco to pay $300 million. He has done absolutely nothing. That was in 1975 and the control order was imposed in 1970.

During the eight years to the point where he let the control order go down the pipe, Inco earned $1.4 billion in profits and invested more than $1 billion outside this country and the minister says the company cannot afford to do anything about the emissions.

We simply do not believe that. This ministry, without a doubt, is the most secretive ministry on the face of the earth, and if ever this freedom of information legislation is applied to this ministry, the majority of the senior people in this ministry would suffer nervous breakdowns within a month because they will not share information with members of the Legislature. They will not table information. The minister has tabled no further information on what happened in 1975 to indicate why they so readily bought Inco's argument. To this date, he has tabled absolutely no other information, either.

We find that unacceptable and we say to the minister it is time he acted in the mandate of his responsibility and imposed a new control order on Inco Limited. It is time he told Inco the control order, which never should have been lifted, is going to be reimposed and within four years—giving them a lead time of four years—they must bring in new processes to reduce the level of emissions to 1,500 tons. Then we will work getting down from 1,500 tons.

But the minister has not even made a commitment that a new control order will even be imposed. He just sits there. He's lacking one of two things. He's lacking either the courage to do it or a commitment to the environment.

Let him tell us what it is. Let him tell us why he thinks $300 million is an unacceptable price tag for Inco to pay. We'd like to hear it. We'd like to see some information tabled.

Mr. Speaker, I'll tell you that 1975 document shows it is not even debatable that Inco was prepared to go through with the control order. In this document they had already spent $23,578,000. They'd spent that already and were prepared, because the summary says, "Total cost estimate, $299,198,000; total appropriation to date, $23,578,000; appropriation required for outstanding work, $275,620,000." That was what was left to spend.

There's no question that Inco was prepared to do it. I'm sure they almost fell over in the boardroom when we assumed that they responded to this letter by saying, "You're quite right fellows. Don't worry. Sit back and relax." Not only that, the ministry never told anyone in 1975 they'd received this letter. They never told anyone in 1975 they were going to lift the control order. They must have known in 1975. That's a secretive ministry. By God, I hope that some day freedom of information laws apply to this minister and this ministry of government because it is outrageous, simply outrageous, that he's done all the bargaining on SO_2 emissions behind closed doors. You can imagine whose doors they were, Mr. Speaker.

Mr. Eaton: Mr. Speaker, the resources development committee in their deliberations this past summer and fall have covered a number of very interesting topics. We were involved in a situation concerning acid rain. We were involved in the situation with Ontario Hydro boilers and also the Reed paper company. Throughout those deliberations, all of which had some effect on the Ministry of the Environment, one thing I found was that the minister and ministry officials tried to be frank with us. They tried to provide us all the information.

Mr. Laughren: They didn't.

Mr. Eaton: I think the member is being a bit unfair particularly when he attacks the minister the way he does.

Mr. Laughren: We're gentle on them.

Mr. Eaton: I read for instance the member's press release of tonight which says, "Now the Minister of Environment is weaseling again." He's saying the ministry doesn't have all the facts and they won't do anything more about Inco, which is the largest source of sulphur dioxide in North America.

This minister has never been one to weasel on any issue and the members opposite know that.

Mr. Laughren: No, I don't.

Mr. Eaton: The member certainly does. He is really hypocritical when he gets up in the House and talks that way, because down there he will talk to them and say, "You're really doing a fine job, keep working with us this way." He won't say it publicly. He puts out ridiculous statements like that. He makes ridiculous statements.

Interjections.

Mr. Eaton: He puts out a press release that says, "Acid rain is our number one environmental problem and this government has to take immediate obvious steps to cut down sulphur dioxide." He never say what those obvious steps are.

Interjections.

Mr. Eaton: He never tries to. He puts out information in that thing, like the report of the company he has which says they could reduce it. He talked about that report. Let's talk a little bit about that report of the company.

They did give an indication in May 1975 that they could make a reduction to 1,500 tons a day. They thought they could, with the knowledge they had.

Mr. Laughren: Money—money only.

Mr. Eaton: They indicated the cost, as the member mentioned, which they thought was $300 million. Digging into the matter it comes out that those figures amounted to almost three times that.

Mr. Laughren: Where do you get that?

Mr. Eaton: I have the figures here.

Mr. Martel: Table the stuff.

Mr. Eaton: I have the figures right here. They tripled or quadrupled. They could have quadrupled.

Mr. Martel: Table it.

Mr. Eaton: Okay, I have it right here. I am reading it to the member. It's on the record now.

Mr. Martel: I want to see the document.

Mr. Eaton: Okay. With that kind of cost to be faced other possibilities were considered.

In July 1976, for instance, Inco made a proposal to cut the levels down to 3,100 tons by the end of 1980, at a cost of approximately $160 million. They also requested at that time to have the opportunity to increase to 3,800 tons—when it had already reduced to 3,600—until that 1980 period. The then Minister of the Environment took a firm stand on it and said, "No. We are not going to allow you to go above the figure that has been set."

Look again at some of the facts. Members over there are criticizing the fact that nothing is happening. But let's look at the record. Since the control orders were issued in 1973 —in fact, they were put on before 1973—to get down to 3,600 tons, Inco got down to 3,600 three years before they were supposed to under the orders. Yet the members opposite say the ministry is not concerned and the company is not concerned. They are concerned, as we all are, and are working towards those goals.

Mr. Samis: What did they do?

Mr. Warner: Corporate apologist.

Mr. Eaton: I am not making any apologies. They have done something and we have done something. I don't have to apologize for action.

Mr. Warner: Sure you are. You are apologizing for Inco. You're in their back pocket and you know it

Mr. Martel: What have they done?

Mr. Laughren: Friends of Inco.

Mr. Eaton: Nobody is trying to be a friend of anyone in a particular case. We are trying to see that a job is done properly and responsibly. A reference was made as well to the fact that in the committee we didn't support putting on certain orders. That's right; we didn't. Members were arbitrarily pulling figures out of the air and saying, "Okay, that's where you will have to be." Whether the technology is there to do it, whether it is economically feasible, you say, "Do it." The responsible action is to work at it to find the technology that is available and to help develop the technology to do the job.

Mr. Samis: Postpone—delays.

Mr. Eaton: There were many things in committee we all agreed on.

Mr. Laughren: That was to adjourn.

Mr. Martel: You are wasting valuable time.

Mr. Eaton: I am going to keep on wasting it as long as you are interjecting. Nobody said anything while you were talking. We listened to you.

Mr. Samis: If you can't stand the heat, Bob, you know where to go.

Mr. Eaton: I will keep wasting time. As long as you are talking, I'm not going to.

Mr. Samis: Harry Truman was right.

Mr. Laughren: If you can't stand the heat, get out of the kitchen.

Mr. Martel: It's your time to use, Bob. It's divided equally, so if you don't want to speak, that's fine.

Mr. Eaton: I think we worked very well together on this problem during the committee sessions, all parties, because we had an objective of trying to do something about a serious problem.

Mr. Martel: That's why you lifted the control order.

Mr. Eaton: We had an objective of trying to do something about a serious problem. On many of the points, the committee agreed and worked together. We took immediate action at times.

I remember the night we sent a telegram to the honourable minister—I think it got to him at about six in the morning—at the time he was meeting the federal Minister of the Environment to try to get something done on that problem, to focus some attention on it.

Mr. Kerrio: Was that a federal Tory?

Mr. Eaton: I heard a remark across the floor about them doing something about it now.

Mr. Kerrio: Well, they better get with it. They've had enough time.

Mr. Eaton: The members opposite had their cousins in there for a long time, and they didn't do anything about it. Now we've got some people who will co-operate with us. [9:15]

Interjections.

Mr. Eaton: As I mentioned a minute ago, the reason we didn't support that one item was because members were plucking arbitrary figures out of the air.

Mr. Makarchuk: What kind of figures?

Mr. Kerrio: What were you doing with the figures?

Mr. Eaton: I know it sounds like a variation on the theme to talk about studies, but I want to assure the members opposite that our Sudbury basin investigations have been very painstaking.

Mr. Martel: Have you read Dreisinger?

Mr. Eaton: Yes. You want to keep referring to away back. Let's look at what's been done.

Mr. Martel: You've known about it for all these years.

Mr. Eaton: I think we are only now receiving some of the data showing some of the variations that might take place.

Mr. Kerrio: We're not only getting the data; we're getting the acid rain. The data we're not concerned about.

Mr. Eaton: I think we've seen the actions that have taken place over a number of years —the reduction that's there.

Mr. di Santo: That is not a particularly good performance.

Mr. Eaton: Those opposite would indicate that the minister doesn't wish to do anything about it and isn't doing anything about it. I think there is a continuing process going on between the ministry and officials at Inco to do things.

Mr. Warner: That's the source of the problem.

Mr. Eaton: That's right. We have to work with the source of the problem. Those people over there are such dreamers. They think tomorrow we'll do that. And that isn't possible.

Mr. Makarchuk: Keep it up and we'll have the doctor prescribe some Valium for you.

Mr. Eaton: Throughout the series of control orders they've had on there we've seen action and we've seen gains. We'll continue to do that by working at it—by working at the problems with facts and information.

Mr. Makarchuk: For how long?

Mr. Eaton: You can't do it just by stating you're going to do something, and it's done.

Mr. Martel: You haven't read Dreisinger. Not one document.

Mr. Makarchuk: Have you read anything recently?

Mr. Eaton: He's so knowledgeable. He's an instant expert on everything.

Mr. Martel: You'd better check the record.

Mr. Eaton: This government is committed to taking action on these problems. We're seeing that action taking place and we'll continue to see it take place in a reasonable and responsible manner. The kind of action those members try to promote is attacking the minister, who is doing a good job.

Mr. Makarchuk: What's he doing?

Mr. Eaton: But it doesn't hinder the progress that is being made—

Mr. Makarchuk: Name one thing he's done.

Mr. Eaton: —on some of these projects. Ontario has taken the leadership in many of the areas concerning acid rain.

Mr. Makarchuk: Name one.

Mr. Eaton: We've been making them. But the opposition doesn't listen.

Mr. Warner: That's right out of the Inco handbook.

Mr. Eaton: Facts mean nothing to those members. They don't want to use facts. They saw the facts that were just put out a very short time ago but they still want to deny them.

This government has acted in a responsible manner. It will continue to act and continue to show the leadership—even show the leadership to the US on some of the controls that can be put on acid rain. The US is where a major share of Ontario's problem is coming from.

So those members should not be so self-righteous in some of their statements. They should work with the minister; give credit where credit is due and work with him to see that the job is done.

Mr. Kerrio: Mr. Speaker, I'm pleased to participate in this debate. I certainly am very concerned about the problem as it relates to acid precipitation.

Very recently, within the last week or 10 days, there has been a great deal of discussion and argument among some of the most famous scientists in the world as to the age of this planet. They are about three million or four million years apart in their estimates on when this planet was formed. So when we talk in terms of the inception of the planet we live on we're talking in terms of millions of years. It seems incredible that we could pollute this environment in one generation—not much more than 40 years—coincidental with this party on the other side being in power.

Interjections.

Mr. Kerrio: It's the simple truth. It is a very simple truth—hard to buy, but the truth hurts.

Mr. Mackenzie: Thirty-six years and 95 days of acid rain.

Interjections.

Mr. Kerrio: And then this government sets itself up as a free-enterprise party. That's an affront to the small businessman with integrity. He is competitive, honest and gives good value for money while the companies we're talking about, that the government is protecting, are monopolizing, fixing prices and polluting our environment. It becomes very difficult for a true free enterpriser to stand in his place and defend that way of life. But that is very true and truth in most instances hurts very much. The Minister of Education is shaking her head "no," but I tell her, yes.

Hon. Miss Stephenson: No.

Mr. Stong: She is the iron lady of Ontario.

Mr. Kerrio: An indictment of the pollution record can be related to a personal involvement I have.

I have some friends who are sons of three generations of people who have fished the lower Niagara River since 1835. One has

recently had his licence lifted for selling polluted salmon. The man couldn't pay the $3,000 fine. He wasn't earning enough fishing because the government responsible for fisheries here had seen to it that the polluters had taken all the fish from our waterways. He couldn't make a living at it.

This is a true story. I won't mention names. But he had to go to some of his friends to raise the $3,000 fine the ministry assessed against this man. He still doesn't have his licence.

That's some kind of indictment against the people who would issue a licence and then fine the fisherman for selling polluted salmon. That's the kind of thing that's happening in our environment.

Mr. Laughren: Did he tell you that?

Mr. Kerrio: The pollution of the airways is very little less than what's happening to the pollution of the waterways. There are people who take their job responsibly. I will be a little boastful about this involvement. This Saturday past I had a seminar in Niagara Falls that brought some very knowledgeable people to a forum that discussed our problems of environmental pollution. The minister was invited down but didn't see fit to come.

Hon. Mr. Parrott: Mr. Speaker, on a point of order.

Mr. Laughren: There's nothing out of order.

Hon. Mr. Parrott: The member opposite knew full well by Saturday—and well in advance—I had told him that on that day it was impossible for me to come. He has implied that I didn't choose to come. That is not so, and I want the record changed.

Mr. Stong: It's a question of principle.

Mr. Kerrio: Pierre Trudeau didn't want to go to BC but they caught him at a disco dance at New York.

Hon. Mr. Parrott: Is the member opposite saying I was engaged in a frivolous activity on Saturday?

Interjections.

Mr. Acting Speaker: Order.

Mr. Kerrio: I'm suggesting the minister should have come to my forum and not gone dancing.

Hon. Mr. Parrott: If I thought the member would be disco dancing I might have, but if he was going to put on the kind of show he did I'm afraid, as I told him earlier, I had other duties to perform. I wish he would correct the record.

Mr. Kerrio: Mr. Speaker, I think my point is well made and I would like to continue. I would like to suggest that when members take a responsible position—and I am suggesting to you, sir, that I did, and to that end I would like to read this into the record, because then the minister can draw his own conclusions as to whether he should have been represented, whether he should have come himself or sent someone else.

At the Cleaning Up the Great Lakes forum, Saturday past, we had Dr. R. Drynan, secretary of the Science Advisory Board of the International Joint Commission; we had Mr. Kenneth Walker, secretary of the Great Lakes Water Quality Board of the International Joint Commission; we had Barbara Morrison, environmental lawyer, Operation Clean; Mr. Joe Castrilli, representative from the Canadian Environmental Law Association; Dr. R. M. Roman, a medical man who has taken courses in the environmental problems as they relate to environmental medicine; Mr. Valdas Adamkus, deputy regional administrator of the Environmental Protection Agency, Region 5, Chicago, Illinois; Professor Bob Sweeney, director of the Great Lakes Laboratory, State University College at Buffalo; Professor George Francis, Department of Man-Environment Studies, University of Waterloo; Professor Stephen Safe, chemistry department, University of Guelph; Professor Berkes, Institute of Urban and Environmental Studies at Brock University; and, relating to prospects for the future, Dr. Michael Dickman, Brock University, biological studies; Professor H. A. Regier, Institute for Environmental Studies, University of Toronto; Professor Halpern, University of Buffalo; and Dr. Peter Hodson, representative from the Canada Centre for Inland Waters, Burlington, Ontario.

I ask you, Mr. Speaker, with such a forum, does it speak too well of the interest of the environmental people in Ontario that they did not attend, after having been presented with the lineup of people who were going to be there to share the problems and help resolve some of the environmental problems that exist?

Mr. Haggerty: The minister is not concerned.

Mr. Kerrio: There are only a couple of other matters I would like to speak to. One of them has to do with a serious problem and it relates to what a former minister said to this forum. We took him at his word. He suggested that in future the polluter was going to pay, and as I suggested at the outset we took him at his word. We, the province of Ontario, entered into a lawsuit with

one of the large chemical companies on the St. Clair River system, and I am sorry to say that while we had been talking about a multi-million-dollar lawsuit the settlement was in the range of a few hundred thousand dollars.

There are other jurisdictions that certainly aren't living up to their responsibilities and I will share this with you. As recently as this morning there was an article in the paper about the building of a coal-fired generating plant in Saskatchewan. The government of that province has suggested that even in the face of an International Joint Commission proposal it is not our obligation to abide by the laws of a foreign jurisdiction.

I suggest to you, Mr. Speaker, that all jurisdictions, all provinces in Canada and all states in the United States of America, must make a commitment that we will put into place the technologies that do exist. They are a fact; that is not something we are speculating about. We must put into place the technology that exists so that we do not have to produce sulphuric acid and the acids that produce acid rain. I am not suggesting we can clean up those areas where it was produced in the past, that's a longer term commitment and I am reasonable about our commitment to meet those obligations, but I pose this to the minister directly: anything from this day forward should have a commitment that we will not put any plant into production that is producing any acid rain whatsoever. I think we should be able to meet that kind of commitment with our neighbours to the south.

[9:30]

Ms. Bryden: Mr. Speaker, acid rain is one of the modern environmental problems. Unlike the threat of sewage or polluted drinking water which we attacked in the last two decades, it is an insidious problem, not as obvious to the public in its dangers. Often the effects are only noticed after a long period, but it is potentially equally dangerous to our environment, to our health and to our ecology.

It is the sort of problem the Ministry of the Environment should be alert to and acting on even ahead of public awareness or public concern. I know the ministry has known for at least 10 years about the acidification of our rainfall and the effect on many lakes, particularly in the north and in the Sudbury region, but the action which has followed has been almost non-existent.

The public's awareness of the acid rain problem has grown for a number of reasons. First of all, the great increase in the degree of acidification has produced alarming statistics that 48,000 of our lakes could be killed; that is their aquatic and fish life will not reproduce, they could be killed within two decades.

Further, the long-range transport of emissions which are causing acid rain has brought the problem across this continent as far as the Maritimes, down to Metro Toronto and into the cottage country.

We went through the superstack syndrome. Though somebody said, "I think that I shall never see a smokestack lovely as a tree." The philosophy was: solve pollution by dilution. That didn't work. That simply spread acidification over a wider area.

Then the first reports started to come in that indicated more than lakes were involved. Just this fall we had a report from a US-Canadian research group that indicated there were potential dangers, not only to the lakes, but to our forests, our agricultural crops, our health possibly, our architecture and even our water systems through corrosion of pipes. While the data is not complete, there is enough evidence to indicate there is serious concern and the public is becoming well aware of that danger and expects action from its government.

I would like to show the members a recent poster on acid rain put out by the Canadian Nature Federation which says: "Acid rain is the most serious and urgent environmental problem we face. Ask your elected representatives for tough, new standards to prevent acid pollutants from entering the atmosphere for the sake of our lakes, rivers, crops, forests and lungs." This poster shows smoke stacks rampant, rain falling, dead fish and automobiles.

The problem of acid rain would be solved if it could be solved by rhetoric. That seems to have been the level of some of the debate tonight, particularly the shouting match we had just preceding my speech by the member for Niagara Falls and the minister.

Mr. Laughren: He always lowers the level of debate.

Mr. Bradley: Don't be so condescending over there.

Mr. Laughren: He is provocative.

Mr. Sterling: Why continue then?

Ms. Bryden: We really have a rhetorical tennis game going on—

Mr. Sterling: Why continue it?

Ms. Bryden: —between John Fraser, federal Minister of the Environment, and Harry Parrott. John Fraser says: "It's a very serious problem, but of course the province has the power to put in the control orders over emis-

sions. If they don't act, we'll act." Then the Minister of the Environment in Ontario says: "It's a very serious problem, but of course it doesn't all come from Ontario sources, and therefore we must get an international agreement." That puts it back in John Fraser's court.

I will concede that the Ontario Minister of the Environment in his statement to the resources development committee on October 25 did go further and say, "Ontario is prepared to enforce the necessary controls in concert with control measures in other jurisdictions and we are also prepared to act singly and in advance of other jurisdictions."

We still haven't seen any advance action. It still appears he is waiting for John Fraser to get the international agreement going and we all know international agreements take at least 10 years to implement. It takes two or three years to negotiate and then there is the long-stage implementation. That happened in the water quality agreement. We do have to have action in Ontario beforehand.

The other statements from the minister recently are, I think, examples of rhetoric rather than action. I don't know who his speech writers are but they seem to be masters of gobbledegook. Here is one of his statements: "Ontario has demonstrated its determination to find solutions." Here is another one: Ontario's priorities include "to develop effective air pollution abatement alternatives." In his statement to the resources development committee of October 25, he says: "Options at present being considered include any combination of the following: low sulphur coal, hydrometallurgy, coal gasification, coal scrubbing, acid plants." Sort of shuffle the deck and take your pick, but we're going to do one of those things and we're not sure which is what it seems to say.

That is not going to get very much action. I think the real test of the commitment of the ministry to solving this problem is what they are going to do about Inco. My colleagues have already dealt with that in considerable depth.

We just can't understand why the minister is so solicitous of Inco's profits or health, particularly its profits. Inco says it can't reduce its emissions any further. Sometimes it says it's for economic reasons and sometimes for technical reasons, but the real question is, has the minister made an independent evaluation of these claims?

We find the poverty claims by Inco very hard to accept because it has taken billions out of its profits in the past and is still in a profit-making position. The fact is if Inco does not pay for the reduction of these emissions, the people of Ontario and North America pay the bill. We pay the bill for lost tourist revenue, lost recreational lakes, lost forest production and reduced agricultural yields. We could pay a bill for possible health damage, architectural damage and water-pipe corrosion. If Inco was made to pay these costs it would quickly find the money to reduce its emissions.

Why is the minister so reluctant to issue a new control order on Inco? Why is he protecting them? Why is he letting them externalize their costs onto the people of North America and the people of Ontario?

I say a minister of the environment who will not attack the largest source of sulphur dioxide in North America should resign. He shows no real concern for our environment or the threat of acid rain. Until he takes action on the Sudbury pollution his counterpart in the federal government cannot be expected to negotiate successfully with the US unless we are proceeding to clean up our own pollution here as soon as possible.

It was away back in February that the resources development committee held week-long sittings on the problems of acid rain and sulphur dioxide from Inco. The committee heard from many experts and produced a report that contained 15 recommendations for action.

All of the 11 recommendations on acid rain were adopted unanimously by this all-party committee, but practically none of them, except perhaps in the research field, have been adopted. Some speaker at an acid rain conference that I attended said that if you put all your money on research, you may be buying a ticket to an autopsy.

Of the four recommendations on sulphur dioxide in the committee's report, none of them, as far as I can see, has been implemented; so that the committee's work appears to be another report that is going to lie on the shelf unimplemented.

Mr. Speaker, it seems to me we have had five Ministers of the Environment and nothing has been done on this problem; it is time perhaps that we ended this parade of ministers and changed not just the minister but the government.

Mr. G. Taylor: Mr. Speaker, I am pleased to join this debate as the other members have this evening. As one member has recently said it may have reduced itself to rhetoric; however, I believe this government and this minister would not have it be reduced just to that.

It has been a very interesting debate, now drawing closer to its end. We have had the

opportunity to see many reports, one of which is the most recent report of the resources development committee, which I have had the opportunity to read before and refresh my memory on the subject.

Mr. Bradley: Are you for or against acid rain?

Mr. G. Taylor: It's a very excellent report again, but as I read the reports I come to the same conclusion on this report and the others which are a part of it, with the comments by the different witnesses, and that is that there is still a lack of information, a lack of preciseness, a lack of credibility as to what really is the final determination on how to correct this problem. We know there is a problem, we know something of how it is produced, we know some of its harmful effects; but we are still, even with today's modern technology, short on ways to improve it, be it a way to improve it by way of a cost analysis, be it by way of technology; will it be too great an economic impact on the community? All of these things seem to be couched in the negative in the material put forward; it is not positive enough on the course to be followed, that here is the route, this is the way we want to go, this is the way it has to be done and this is the way it can be done.

It is often difficult, in reading these reports, to get an explanation. I would like to express, also, something on what is happening in my own area in regard to this acid precipitation, because although it may be produced elsewhere, as with the member for Victoria-Haliburton (Mr. Eakins) it lies heavily upon the areas of the county of Simcoe and the Muskoka areas which are our tourist areas.

We receive acid precipitation and it is perceived by many cottagers as an economic concern given the value of their properties, but they also have a concern for the environment in that particular area. We get this precipitation from elsewhere, and there is no doubt that a great deal of it is produced from the stacks of Inco and from Nanticoke and other industrial sources that we have here, and I am sure the minister will be making a direct approach to them to reduce the amount of precipitation they are putting into the environment.

But I would like to bring to the attention of members taking part in this debate that although we are now using these new buzzwords "acid rain," "acid precipitation," it has been partly because of the concerns of this particular ministry and this government that there is a debate taking place on this subject—

[9:45]

Mr. Bradley: You were badgered into it by the opposition, and you know it.

Mr. G. Taylor: —that is becoming the forefront of a concern of the people and the environmentalists of this province. Granted, we do know that a certain amount of this was not known in previous times. There has just been new technology, as I think the member for Niagara Falls mentioned. The world is no longer as old as it was thought to be at one time. As technology advances, so has it with this situation. The technology has advanced whereby now we know the causes and we know some of the rectifications that may take place, but these were not always with us.

I am pleased to see the Ministry of the Environment has been in the forefront in producing study papers. Their people have been examining the problem, testing the problem, and analysing the problem to look for possible solutions. They may not always be the best solutions. I am willing to admit, as I am sure the minister is, some of the solutions are not always easy and the answers are not always simple. But one has to look at them in the whole parameter of the situation, where one can say what are the sources. We know where the sources are—not all of them precisely. All of them are interwoven through the entire economic fabric of the community. They cannot be taken in isolation.

I am sure the minister could say to us: "I can correct this particular problem. Here is the order. That place closes up tomorrow." I am sure I wouldn't, nor would many of the members in this House, want to take the gamble that one might put on an order, put a business out of operation and put the livelihood of many people out of this community when it is so necessarily needed in our industrial society and our economic society today.

We are not alone with this problem. It is a worldwide problem, it is a North American and Scandinavian problem. The European people are all aware of this problem and they are mounting their technology to try to correct it.

Mr. Bradley: What are we doing about it?

Mr. G. Taylor: There are certain items in the report that suggest that here is a possible relief of the situation. They take out this amount or that amount of scrubbers. Are they economically sound propositions for our community, for our industries and for our technology? Again, some of them are not.

I hope the minister will use all his argumentative ability and eloquence to bring about the changes needed in our own industries.

Mr. Bradley: All we need is action.

Mr. G. Taylor: When he expands those will the minister use all his force to bring about a change at the federal level? He has already initiated that discussion with the federal people. He was one of the first to initiate this discussion with the federal government to bring about the concern that it was not only Ontario's concern but it happened to be the concern of other provinces and of other countries.

Mr. Kerrio: John Fraser is useless. He is doing nothing.

Mr. Bradley: No, he's bringing back capital punishment.

Mr. G. Taylor: The material that we look forward to is that he has brought forth this concern to the public of this province and of this country and to the two nations that contribute mostly to it, Canada and the United States.

I look upon what it does to my particular area in the Simcoe lake area.

Mr. Bradley: You should be demanding action.

Mr. G. Taylor: There are concerns about the fish life and about the recreational life. That should be a prime concern to this minister and to this government, and I am sure it is. But one must look at it in light of the entire situation.

Let's look at some of the health concerns. I have heard it said around the table: "Sure, it is a problem when we get these lakes into a position where they shouldn't be. It is a problem for the fish life, but not a problem to humans." But there is a problem to humans. This is a human disaster if we allow the lakes to go any further so that the economic life is not supported. We are going to have problems with our human life after that.

Besides, there are the very personal things it may affect as we have those very definite health concerns. We have heard the member for Beaches-Woodbine talk about some of those problems, some of which are unsubstantiated totally and others substantiated totally, where there is a definite problem to the health of the individuals when they get acid precipitation and problems of acid in their water systems.

There is the whole ecological system in our area which supports a great deal of market gardening. Not only is there the acidic precipitation problem, but also there are other problems of environmental concern. There is a whole report on the Simcoe-Couchiching basin that is not going unnoticed by this government, and changes are going to be made.

I find when all these reports are going forward, somebody points to somebody else and says, whether it be municipal, provincial or federal, there is a cost to pay. Each government seems to look at the other to bear a substantial burden of that cost or a substantial responsibility.

I submit it is all our responsibility. It is further our responsibility to make sure the money is there because it is our future—our children's future, our grandchildren's future. As we so often hear in this assembly, it is not just our personal concern we're to be cognizant of but the concerns of other people who may come after us.

I recently received a letter from some young students and newspaper columnists in my area who are concerned about acidic precipitation. My concern was that they were not totally informed of the problem—what this government is doing, and what this minister is doing and what the resources committee had already done in regard to acidic precipitation.

Mr. Kerrio: You're trying to wiggle your way out of that one. Why don't you be honest with those students?

Mr. G. Taylor: I brought to their attention what has been done, showing them where they can get source material and what is available to them. So I hope this group of some 40 constituents—including young students, young adults, and newspaper columnists—are better informed about acidic precipitation that may be affecting them and others in this province.

I hope this minister will continue to take his concerns to the federal level—bringing to bear his concerns and the concerns of this Legislature about acidic precipitation. I hope he does not let it sit idle and let the federal members concerned use some gymnastics to get out of the problem. It is more than a local problem.

As others have said, we allow too little time for such an enormous subject as this. However, the rules of this Legislature must be observed. I wish I had more time to speak of the problem, but I end my comments there.

Mr. Riddell: Mr. Speaker, I had the pleasure of sitting on the committee that was looking into this problem of acid precipitation. As one who likes to travel into northern Ontario for a week or two each year just to get away from the frustrations of this place

—frustrations caused mainly by this government's continual procrastination on matters such as environmental cleanup—I was shocked to learn that about 48,000 lakes are expected to turn acidic in the next 20 years unless the provincial government, through assistance from the federal government, is able to negotiate successfully with the United States a policy for cutting back sulphur emissions.

It is generally accepted that a lake, once it has become acidic, is virtually irrecoverable. A strange irony of nature is that acidic lakes look pure because they are so clear, but this is an illusion; they are clear because for all practical purposes they are dead.

The Ontario Ministry of the Environment has said that approximately 80 per cent of the acidic compounds that fall on Ontario are from the United States. We heard this time and time again when we were on the committee. But since then we have heard that Ontario could be responsible for 40 per cent or even 50 per cent of the pollution. So we really can't blame the United States the way the minister has been inclined to do.

He's been using this assertion about 20 per cent of the pollution being from Ontario as an excuse for us to give up on the cleanup. However, it is now generally appreciated that Ontario is sending its acid rain down to the United States—for example, to the Adirondack Mountains. This means that even though we may not be the biggest source of our own acidic precipitation, we are sending our acid rain to the United States. We cannot very well turn around and ask them to stop dumping theirs here unless we are prepared to clean up at the same time.

In fact, Americans are quick to point out that the largest single-point-source emitter of sulphur dioxide is Inco in Sudbury. This company emits approximately 3,600 tons per day of sulphur dioxide. In 1972 when Inco built a higher stack at its smelter operation in Sudbury, this stack simply served to send the pollution further afield.

Oddly enough, the very areas of this province where we conduct most of our tourist industry, where we do most of our fishing, and where we have located our cottage land, are precisely those areas, because of the geology involved, that are most vulnerable to acidic precipitation. Areas such as Haliburton Highlands, Lake Simcoe, Algonquin Park and Quetico Park are located on bedrock that has what we call low buffering capacity. By low buffering capacity we mean areas that, once the acidic input begins to batter them, do not have within their natural makeup, material that can help neutralize this increased acidity.

In 1970, the Ministry of the Environment here in Ontario told Inco to get its sulphur dioxide emissions down from approximately 6,500 tons per day to 750 tons per day by December 31, 1978. However, last summer the ministry extended Inco's control order and Inco was still putting out the previously mentioned 3,600 tons per day.

Inco is not the only source of the acid rain problem. As mentioned earlier, coal-fired generating stations also produce sulphur dioxide that turns into acid rain. However, it is difficult to ask other companies and public utilities in the province to clean up their pollution if Inco has been given an extension to its pollution control order.

At least 140 lakes in Ontario are known to be in serious trouble today because of acidic rainfall. These lakes are unable to support a sports fish population. There is also strong reason to believe this shift in the balance of pH in our lakes and rivers increases the load of mercury and other heavy metals that are taken up by the fish. Scientists have discovered that the lower the pH, the more readily are mercury and other heavy metals released.

We cannot begin to assess the economic impact of acidic precipitation on tourism and recreation in this province. We have to move very swiftly. Generally speaking, when confronted with provincial problems, we have some lead time, but biologists and experts from the University of Toronto, especially those who have testified in the Legislature, have said our lead time is over. If we accept that 48,000 lakes are going to become biologically sterile over the next 15 to 20 years, if we do a little mathematics, what this means is in one week alone 48 lakes become acidified in Ontario. That is approximately seven lakes a day.

Obviously, in science it doesn't quite happen this way on a weekly basis. It is more likely that every few weeks several hundred lakes become acidified. If we think of it as 48 lakes per week, which is really what we are saying for purposes of making this issue understandable, then indeed we have a very serious problem.

Some people have talked about liming the lakes as one possible answer to the acid rain problem, but the research to date has shown this is neither effective nor economical, and is certainly no alternative on a broad scale.

Last summer the Toronto Star published an article that showed the movement of the Sudbury plume. This plume of pollution was shown to leave the upper Inco stack at Sudbury at about 5:30 p.m. and to arrive at Toronto at about 11:30 the next day. Citizens

of this province have always been told it is the polluter who will pay. In fact, the history of various pollution escapades has shown it is the victim who pays.

Victims in this example are cottagers, the tourist industry, the sports fish industry and we now know it also includes the farming industry and the forest industry. We know this because a team of Canadian and United States scientists recently reported for the first time that acid rain is affecting vegetable crops and forests. They said the environmental damage is spread over a larger geographic area than was first thought.

The most definitive study to date on the problem warned that the economic impact on the forest industry up to now was considered to be great if the pollution were allowed to continue. The scientists also say the soil, lakes and rivers of eastern Canada are more susceptible to acid rain damage than those in the United States.

A senior Environment Canada official, commenting on the magnitude of the problem, said the situation is almost irreversible—not absolutely irreversible, but almost. Dr. Warren Godson, director general of Environment Canada's atmospheric division, also said the report, in stating for the first time that acid rain damage is also affecting crops and forests, presents a fact now generally accepted by the scientific community.

Mr. Acting Speaker: The honourable member's time has expired.

Mr. Riddell: Mr. Speaker, I agree with the previous speaker when we are limited in time in debating these very important issues. I think the effect acid rain is going to have on our crops is a lot more serious than the minister would consider. I fail to understand why research hasn't been done on the effect acid rain is having on our crops. Believe me, not only has the white bean crop been wiped out of southwestern Ontario, but it's soon going to be wiped out of all of Ontario if we don't control the problem. It's time we looked into it.

I'm sorry I have to quit now because I'm just getting wound up.

[10:00]

Mr. Watson: You don't believe that do you, Jack? I'm sure the white beans are more important, Jack. All the white beans were wiped out because of acid rain, is that your statement?

Mr. Riddell: The white beans in southwestern Ontario were wiped out because of the pollution from American industry, and now—

Mr. Watson: From where? From where?

Mr. Riddell: In Essex and Kent counties.

Mr. Watson: No, but where did that pollution—where did you say it came from? Who pointed the finger there?

Mr. Riddell: And now the crop is going to be wiped out in Huron and Middlesex and Perth if we don't do something.

Mr. Speaker: Order. We have had enough verbal pollution around here now. The member for Downsview.

Mr. Bolan: You're talking to a hardheaded bunch; they don't understand these things.

Mr. Riddell: We have to get the message through to them somehow.

Mr. di Santo: Mr. Speaker, much has been said about the adverse effects of acid precipitation on the aquatic ecosystem and the terrestrial ecosystem, as well as on the general welfare of the people who are affected.

My friends the member for Sudbury East (Mr. Martel) and the member for Nickel Belt (Mr. Laughren) have told us that the pollution from Inco has already been responsible for the acidification of a number of lakes in the Sudbury region, lakes in which all the fish have died.

The problem is much more widespread, of course. The ministry itself has said that 48,000 lakes may be affected in time. When the fish in a lake die, so does a good bit of the tourist industry. The member for Victoria-Haliburton (Mr. Eakins) has spoken about this issue.

Losses to the tourist industry in the Adirondack Mountains area, where 100 lakes have died, has produced a loss of $1 million because of the sport fishing decline.

The problem is particularly acute because the fish species most susceptible to acidification are those most desired as sport fish. With the tourist industry go a lot of jobs in many parts of Ontario. As far as the forests are concerned, local damage to vegetation in the Sudbury area caused by Inco's smelter has been known about for many years. The high stack has simply spread the problem over a much broader area.

There is a lot as yet unknown about the damage to forests from acid rain and from deposition of sulphates. The report of the United States-Canada research and consultation group talks about a 20 per cent reduction in forest productivity that could result from acid rain. As with many of the other effects of acid rain, by the time we know just how serious the damage is it will be probably too late to do anything about it. Since the forest industry is one of the eco-

nomic mainstays of northern Ontario, the longer-term danger to jobs and exports is tremendous.

Disturbingly little is known about the effects of acid rain and sulphates on crops, foliage and soil. It seems quite likely, however, that damaging effects will be devastating. Agriculture in Ontario is already under a number of pressures from the reduction in good farm land and from rising costs to farmers from import competition. We are fast losing our self-sufficiency in food and food products. The economic dangers to agriculture from acid rain are therefore of a special importance. The cost of cleaning up the acid rain problem would be substantial but the sources of that pollution can afford them and our friends have already spoken about that quite extensively. The economic consequences of not doing anything and simply talking about acid rain will be far more damaging.

The recently released Canada-US report is just the latest piece of evidence that the problem has tremendous economic consequences. These are powerful arguments, quite apart from the environmental destruction and the loss of recreation potential, for taking urgent and immediate action to clean up sources of pollution within Ontario which is contributing to the acid rain problems.

The problem of acid rain has long been known in northern and southern Europe where the urban environment has been very seriously damaged. The members may know, even though they are confining themselves to economic problems, that in Venice monuments of value have been damaged irreparably. It is causing damage to a heritage which will never be repaired. The economic problem is only one aspect of acid precipitation. I think that if we don't look at the social and the human aspects of this problem —if we don't look at it also in terms of civilization and quality of life—we will not understand the extent of this problem.

The government members who spoke so apologetically for the industry are operating within the logic of capitalism. This is a logic that gives high priority only to profit—profits prevail over any other consideration.

The economic point of view is quite important. We have to put the jobs that are lost against the profits the corporations are making by exploiting our resources. They are, therefore, undue profits.

As I said, we have a loss in the tourist industry which is irreparable. For example, the United States tells us it lost $1 million in a small area. I think it is more convenient for this government to spread the losses among many people and more tourist operators than face giants like Inco. But I think it is imperative for us to consider the human and social aspects because the quality of life is something that will not be replaced.

This government, by refusing to face this problem, is depriving the majority of citizens of this province and eastern Canada and future generations, of a natural heritage which makes this province fortunate. There is no justification for the collusion of this government with the interests of industry.

It has been explained quite extensively that industry has made overabundant profits and has chosen to invest its profits in other parts of the world—in Guatemala, Indonesia and New Caledonia. This government is operating under the assumption that what's good for General Motors is good for America, and what's good for Inco is good for Ontario. But I submit that is not true.

I think this government is simply abdicating its moral responsibility to the people of this province. I think this behaviour cannot be condoned by any person in this assembly. The people who are speaking on that side of the House, apologizing for the industry and telling us the responsibility doesn't fall only on this side of the borders, are simply telling us they are unable to face the real problem. Above all, they are unable to tell those people who are supporting them, and who are giving them bits of money when an election comes that they are taking much more from the people of Ontario now, not only from our generation but from future generations.

Hon. Mr. Parrott: I understand there are only four minutes left. Does that conclude the debate when I speak?

Mr. Speaker: Yes.

Mr. Kerrio: Your job is to clean up your act.

Hon. Mr. Parrott: I will be very brief. I would concur with the remarks made on this important subject. It is too bad we do not have more time. On the other hand, we have spent many hours in very fruitful debate on this subject in committee. Therefore, I think I can be brief on this occasion without by so doing signalling I don't have a great concern for the problem of acid rain.

I would like to refer, first of all, to the comments made by the member for Huron-Bruce. He talked about the awareness that now exists in this province about acidic precipitation. I think that is true. There is an awareness today that did not exist a year ago. I would like to think that was because of the actions of my ministry. I will put four of them on record.

First of all, very shortly after I became minister I referred the subject matter to the committee. Interestingly enough, much of the information I hear now condemning the ministry for the lack of action was the information that was forwarded on those basic documents at the very first.

In using those figures about 140 dead lakes or 48,000 in jeopardy, that was all information the Ministry of the Environment put on the record. We are not going to deny that. Why would we? It was our information. I think it is our responsibility to put to the people of this province the seriousness of this particular problem and indeed we have.

Mr. Kerrio: It is just like going to confession.

Hon. Mr. Parrott: Having referred it to the committee, we then had what I think was a very useful debate. It was a better debate than you have heard here tonight, Mr. Speaker. I am saddened by the fact that there was so much rhetoric and so little of substance that went on record tonight because this could very well be the record that is well read on this subject.

Mr. di Santo: You should be ashamed, if you call it rhetoric.

Hon. Mr. Parrott: Perhaps it will not be those many hours that were spent in committee with a great deal of strong testimony from expert witnesses. I am afraid this debate tonight might be the perception the people of this province have of what this Legislature says about the problems of acidic precipitation. If so, I am sad because it should be the great debate which occurred in our committee. The all-party support and the all-party knowledge that was gained there was of great substance.

Mr. di Santo: Your members dissented.

Hon. Mr. Parrott: I would think the third thing we did to try to bring awareness of acidic precipitation to the people of Ontario and indeed Canada was at the minister's conference in Kelowna. I really believe, though I am not sure the opposition will accept this, the turning point was when the problem of preciptation became a nationally known and understood problem. The turning point, not the end point, was at that particular time when all of the ministers—from all parties, I might say, and from all provinces—were fully aware of it. I am proud it was the paper from Ontario that served as a turning point in the great understanding that must occur if we are going to do the job here in Ontario.

[10:15]

Perhaps to wind up that comment I would say this. A week or so ago, 800 people joined in the debate in this city on acidic precipitation. I am proud that when the Federation of Ontario Naturalists came to our ministry and said in my board room, "We need a little money to put this thing on the road," we were the very first jurisdiction to put our hand in the pocket and say, "Here is a cheque. Get going with the job."

That says to me we want the people of Ontario to understand the seriousness of the problem. Never have I, and in fairness I say never has the Liberal member nor indeed the New Democratic member who has served as critic, underestimated the importance. I think we have said one thing in common: This is a major, serious environmental problem that must be addressed. We said that together.

Some in this debate would like to distract, would not like to have that accord. They do themselves a disservice, because this is an issue far too big to be partisan about. When I offer the hand of friendship on this debate and say all three parties understand the seriousness of it, they want to put that record down. That, I say to you, Mr. Speaker, is sad; it is extremely sad. Future generations will come to understand the significance of this particular problem.

Mr. Speaker: There was an understanding the question would be put at 10:15 p.m.

Hon. Mr. Parrott: I appreciate that, Mr. Speaker, and as the person who probably has the responsibility above all others on this, I am wondering if there is other business of the House which must be concluded before the 10:30 p.m. adjournment.

If I could then have another few minutes, I will try to be more brief. Let me talk about the action I see us taking. I have consistently said I think it is absolutely essential that we have an international agreement. I will always believe that.

Mr. Warner: A point of order, Mr. Speaker: I understood there was an arrangement that we each had 45 minutes allotted to us. That time expired at 10:15, and it was arranged there would be a vote at that point.

Mr. Speaker: That was my understanding. Unless there is unanimous consent to allow the minister to continue for another few minutes, I will put the question. Do we have

unanimous consent? No. Shall the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

The House adjourned at 10:20 p.m.

CONTENTS

Thursday, November 15, 1979

Motion for adoption of parts of report, resources development committee, agreed to 4523

Adjournment 4545

SPEAKERS IN THIS ISSUE

Bolan, M. (Nipissing L)
Bradley, J. (St. Catharines L)
Bryden, M. (Beaches-Woodbine NDP)
di Santo, O. (Downsview NDP)
Eakins, J. (Victoria-Haliburton L)
Eaton, R. G. (Middlesex PC)
Gaunt, M. (Huron-Bruce L)
Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
Haggerty, R. (Erie L)
Johnson, J. (Wellington-Dufferin-Peel PC)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Mackenzie, R. (Hamilton East NDP)
Makarchuk, M. (Brantford NDP)
Mancini, R.; Acting Speaker (Essex South L)
Martel, E. W. (Sudbury East NDP)
Parrott, Hon. H. C.; Minister of the Environment (Oxford PC)
Riddell, J. K. (Huron-Middlesex L)
Samis, G. (Cornwall NDP)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Sterling, N. W. (Carleton-Grenville PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Stong, A. (York Centre L)
Taylor, G. (Simcoe Centre PC)
Warner, D. (Scarborough-Ellesmere NDP)
Watson, A. N. (Chatham-Kent PC)
Yakabuski, P. J. (Renfrew South PC)



No. 110

Legislature of Ontario Debates

Official Report (Hansard)

Third Session, 31st Parliament
Friday, November 16, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is $15.00 per session, from: Sessional Subscription Service, Printing Services Branch, Ministry of Government Services, 9th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

FRIDAY, NOVEMBER 16, 1979

The House met at 10 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

REFUGEE ASSISTANCE

Hon. Mr. Wells: Mr. Speaker, I would like to inform the House that I presented this morning, on behalf of the government and people of Ontario, a cheque for $315,575 to the Ontario division of the Canadian Red Cross to assist in the Southeast Asian refugee relief.

The cheque was presented to Mr. C. B. Patterson, president of the Ontario division of the Red Cross, who was accompanied by Mr. J. T. West, the commissioner for the Red Cross in this province, who are in the gallery with us today.

This presentation fulfils a commitment made by the Premier on behalf of the province in July, that Ontario would match, on a dollar-for-dollar basis, funds raised in the province during the national campaign run by the Canadian Red Cross.

The funds raised by the Red Cross in this campaign are being used to provide emergency relief to thousands of Vietnamese, Cambodian and Laotian refugees who are still living in overcrowded refugee camps in places like Hong Kong and Malaysia.

This commitment, the matching dollar-for-dollar cheque that was presented today, is in addition to the assistance being made available through the Ministry of Culture and Recreation to help establish those refugees who come to this province and have decided to settle in Ontario.

We are most pleased to join with the Ontario division of the Canadian Red Cross and with the many Ontario residents and organizations who have supported this very worthwhile refugee relief campaign.

PRESERVATION OF AGRICULTURAL LAND

Mr. Riddell: Before oral questions, Mr. Speaker, I wonder if I could rise on a point of privilege.

Mr. Speaker: You can try.

Mr. Riddell: Yesterday, I asked the Minister of Housing (Mr. Bennett) about a statement or statements that the Minister of Agriculture and Food (Mr. Henderson) has made regarding land severances. The minister got up on a point of privilege. He indicated he was basing his statement on page 18 of the Foodland Guidelines, and indicated opposition members had supported the Foodland Guidelines. We did support it.

After the question period, a lawyer, who is currently fighting a case before the board on land severances, appeared in my office and said: "If this is a general policy statement, or an indication of government policy, then my case is as good as won." He said there is confusion amongst the lawyers, amongst the municipalities, amongst the farm people and amongst others as to what is government policy.

I would simply like to indicate what the section does say in the Foodland Guidelines policy. It says, "Farm-related severances in areas designated agricultural may be considered under the following circumstances . . ." Point four says—"If a farmer who has been farming a substantial number of years and who is retiring from active working life needs to sever one lot on which to build a house in which he intends to retire, because the lot may subsequently be taken over by others and create problems for adjacent farm operations, that farmer should be encouraged to consider retirement in a nearby village or town."

That indicates to me that municipalities are encouraged not to grant land severances for retiring farmers, farm labourers and family members. I think it is incumbent upon the minister to tell us whether this is general government policy or a change in government policy, because everyone is confused outside of the Legislature.

Hon. Mr. Henderson: Mr. Speaker, I am very happy to respond. Had the honourable member completed section four, he would fully understand it. "Alternatively, if a farmer wishes to retire to a relocated house on his farm, he should be permitted to do so."

Mr. Riddell: What does a relocated house mean?

Hon. Mr. Henderson: The honourable member did not complete the full section 4. It is as simple as that.

Mr. Speaker: As I suspected, it was another instance of not being a point of privilege. It could have been raised as a question in the question period. In future, I think I am going to have to be a little bit tougher. There is ample opportunity for members to settle differences by way of a question rather than an alleged point of privilege.

ORAL QUESTIONS

ENERGY POLICY

Mr. S. Smith: Mr. Speaker, I would like to direct my first question to the Minister of Energy. It would appear from all accounts that the Canadian energy picture is relatively good compared to the American energy picture, and it is very hard to imagine how we could be assisted by any form of common energy market with the United States or anything of that kind. Given that, will the minister tell us what the Premier (Mr. Davis) had in mind specifically when he spoke in Chicago yesterday and suggested that there be a Canada-US commission which would pursue common energy and development opportunities, with heavy emphasis on the matter of energy needs? What possible benefit is there for Ontario and for Canada in getting into some sort of joint venture with the United States in energy matters? What did he and the government have in mind by that suggestion?

Hon. Mr. Welch: Mr. Speaker, I would assume that since the Premier was addressing an American audience, he was acknowledging the sharing of the North American continent by three nations and saying that energy matters and energy policy might benefit from an exchange of information in so far as those are concerns. It is hardly necessary to go into the advantages that might flow from the exchange of information and the recognition of the importance of this issue. No doubt the Leader of the Opposition will have some opportunity to go into this in more detail when the Premier returns to the House on Monday.

Mr. S. Smith: By way of supplementary, I take it from the nature of the minister's response that the Premier has come up with this trial balloon without even consulting the Minister of Energy on the matter. He is making assumptions about what the Premier may or may not have hoped to mean. Can he, as Minister of Energy, tell us whether that is how policy is made in the government of Ontario? Was the Minister of Energy not even consulted when the Premier went to the United States to suggest some Canada-US-Mexico axis that might operate in the field of energy?

Although it might be very nice to have information exchanged, postage stamps can accomplish that. Why should we want to put our energy resources into a common pool of any sort, or even suggest it, with the Americans? If the reason for it, as seems to be said in the rest of the speech, is that we would like American capital, isn't it just repeating the errors of the last 30 years or so, only magnifying them, to suggest we will give them our energy for their capital and further domination of our industry in this area? Isn't it time we stopped that particular way of doing things, and wouldn't the minister like to be consulted by his own Premier sometimes?

Hon. Mr. Welch: I think it is a very unfortunate suggestion on the part of the Leader of the Opposition to assume there isn't the fullest consultation with respect to this government. The Premier of Ontario is a very outstanding Canadian political leader. I would think his views before an American audience on such an important issue would be quite relevant. This is a government where there is absolutely complete consultation. I think there are some very unfortunate assumptions in the comments of the Leader of the Opposition.

Mr. Cassidy: Supplementary, Mr. Speaker. In view of the startling similarities between the proposals the Premier made in Chicago and proposals that have been made over the past few months by Ronald Reagan, a candidate for the presidency of the United States, can we be told if there was a cabinet decision or a decision by the Premier to endorse the Ronald Reagan for President campaign, and what kind of quid pro quo the government is expecting from Mr. Reagan when the provincial election comes in 1980?

Hon. Mr. Welch: Mr. Speaker, I feel quite sure the Premier of Ontario would want it quite clearly understood that he is not getting himself involved in the leadership ambitions of anyone in the United States political scene.

MISSISSAUGA TRAIN FIRE

Mr. S. Smith: Mr. Speaker, I would like to direct a question to the Minister of the Environment, but in the minister's absence I will approach the Deputy Premier or the government House leader with this ques-

tion, depending on which one is better informed on the Mississauga situation. May I ask which minister would rather hear about it?

I will ask the Deputy Premier, inasmuch as it is to some extent an energy matter. With thousands and thousands of motor cars idling their engines and wasting precious fuel for hours on various side routes all around the northern part of the city of Mississauga, can the minister tell this House why the Queen Elizabeth Way has remained closed for the last couple of days since, apparently the Minister of Transportation and Communications (Mr. Snow) doesn't seem to know and since, apparently, the Solicitor General (Mr. McMurtry) doesn't seem to know? It seems to have something to do with the Ministry of the Environment, but that minister didn't report on it yesterday either.

Does the Deputy Premier know why that road is remaining closed and why so many people are being so badly inconvenienced at such expense, both from an energy and a personal point of view? When will it open? Will it open at least for the weekend so that people will be able to get in and take care of things in their homes which have been neglected because of the emergency?

Hon. Mr. Welch: Mr. Speaker, it is my understanding that meetings have been convened as of 10 o'clock this morning to review the situation in that particular area, and we can expect to have some up-to-date announcements with respect to all the matters that are relevant here with respect to public safety.

Mr. Sargent: Who is running the store?

Hon. Mr. Welch: I know the member for Grey-Bruce would be very anxious to have this information as well to take back to his constituency.

Mr. Conway: If that information is more valuable than the minister maintained.

Hon. Mr. Welch: I understand they have had some success now in draining the tank and the chlorine that is contained therein. There will be some need some time today to make some judgement with respect to how much remains after the particular operation now in place has been completed. That will influence what will have to be done with respect to further steps in removing the tank and, therefore, the danger. I would think the people in that area could expect to hear from the Solicitor General and/or the mayor of the municipality following the outcome of those particular meetings.

[10:15]

On the particular question raised by the Leader of the Opposition which is of some interest, and that is the movement of traffic on the Queen Elizabeth Way, it is my understanding from information I have received with respect to that matter that the police indicated they would have some difficulty in controlling the traffic into and out of—particularly into—the evacuated area if the Queen Elizabeth Way had been left open. It was a matter of control mechanisms, because of side roads and other means of exit from the area, and in the judgement of the police it was necessary to close that particular roadway.

To expand on the answer, following the meetings which are currently in process it's my understanding that the officials who have the responsibility there will be in a much better position to make some announcement with respect to a return home of those who have been evacuated and the future of the traffic flow on the Queen Elizabeth Way.

Mr. S. Smith: The minister indicates it is his opinion that the police have requested that this artery remain closed. In the Globe and Mail today there is a statement, attributed to the Deputy Minister of Transporation and Communications, that the Solicitor General rejected the idea of opening the highway except for the exit ramps, which of course could have been kept closed if one desired.

This indicates he rejected the idea because it was strongly opposed by Environment ministry officials; there is no comment here about police. The question would seem to be, is there anybody who is making the overall decisions and who has communicated to the Deputy Premier today what the basis is for these important decisions?

Can the Deputy Premier explain to us why, in a controlled-access highway, there could not have been simply the blockage of the exit ramps and entrance ramps to allow at least all the citizens who live west of Mississauga to gain access to Toronto and points east without wasting two or three hours idling their engines?

Hon. Mr. Welch: I can add nothing more to the answer I gave to the first question. That's the information I have and the reasons for the particular situation at the moment.

I would think that the Leader of the Opposition, who along with others joined with many in the House to applaud the supervision and what was happening, is quite well aware that the matter is under control and that in situations such as this certain judgements have to be made on the basis of information

we have, and our main concern is really the safety of thousands of people in the area. We feel that would be something everyone would understand. On the basis of those considerations, these are the judgement calls that are being made.

Mr. Makarchuk: Supplementary, Mr. Speaker: In view of the fact that we can now put a man on the moon, can the Deputy Premier explain why it is taking five days to drain the tank, and can the minister assure the House that all the technology we have and all the equipment we have was and is being used to alleviate that problem?

Hon. Mr. Welch: Mr. Speaker, the answer to the first question is, I would assume we'd understand every effort was being made to move into the situation as quickly as possible. I have no reason to believe those in charge did not utilize or take advantage of all the information, all of the technology, all of the skills that were known in order to address that particular problem.

Mr. Cunningham: Supplementary, Mr. Speaker: In view of the severity of the situation, the tremendous number of people who have been inconvenienced and the complexity of this entire matter, why wouldn't the government be making a rather detailed statement at the start of proceedings today to indicate to the Legislature and to the people of Ontario just what the current status is?

Hon. Mr. Welch: Mr. Speaker, if I had a choice between being on the scene and getting up-to-date information with respect to the situation to make sure I was fully knowledgeable about the matter, knowing that with the modern communications media we have at our disposal to communicate with the people directly affected, or to be here making some general statements and then going back to the scene, I would be there on the scene monitoring the situation, indicating my interest in moving and making decisions as quickly as possible rather than posturing here like some of the members are now. Two or three days ago they were pounding their desks saying what a great job was being done, and now they are trying to capitalize on some of the inconvenience that may be experienced by people.

As a matter of information, and for clarification, when I was asked the question I told members I was advised; where do members think I got my information from if not from people at the scene, including the Solicitor General?

ARSENIC EXPOSURE

Mr. Cassidy: Mr. Speaker, I have a question for the Minister of Labour concerning arsenic contamination at Deloro Smelting and Refining Limited in Hastings county.

Is the minister aware of the study by Dr. R. B. Sutherland in 1958, which covered workers at that plant from 1928 to 1952, and which concluded that those workers had a rate of respiratory cancer, associated with their exposure to arsenic dust and fumes in the project, which was excessive and which was eight times what would normally be expected?

Has the government taken steps to examine the health impact on the workers who were exposed at the Deloro smelting site from 1952 to 1961, when it was finally shut down, and will the government undertake to inform all workers who have worked at the Deloro plant of the health hazards to which they have been exposed?

Hon. Mr. Elgie: Mr. Speaker, I am aware of that report. Subsequent to that, as I am sure you know, Dr. Sutherland became director of industrial hygiene in what was then the Department of Health. As a result of his efforts in the early 1960s, the criteria for workmen's compensation awards were made much more generous. So, Dr. Sutherland, in his new post, was indeed aware of the problems and did make some efforts to correct situations that disturbed him. As a matter of fact, I am told by the board that to date there have been something in the neighbourhood of 38 or 39 claims submitted and approximately 26 or 28 cancer claims approved.

I do understand that the basic thrust of the question is whether there is any follow-up being carried out with regard to the workers at the plant. I myself have asked that question. I have been informed that the company ceased operations in the early 1960s, and that it would be very difficult to try to gather a list of the workers. In spite of that, I have asked my occupational health and safety division to endeavour to do so.

Mr. Cassidy: First, has the government done anything to examine the health hazards or what the workers have suffered who were at the plant between 1952 and 1961; that is, after Dr. Sutherland's study? Second, is the minister aware that the criteria developed in 1966 required exposure for a minimum of 10 years and evidence of the disability within 10 years of leaving employment, and that those criteria applied only to the Deloro plant?

Is the minister not aware that current scientific opinion considers that exposure to arsenic for less than one year is enough to

induce respiratory cancer and, further, that the latency period for arsenical cancer can be as long as 50 years; not just 10 years? In view of that recent scientific opinion, is the government now prepared to change the criteria relating to workmen's compensation claims based on arsenical cancer?

Hon. Mr. Elgie: As the member knows, I am not aware of the exact criteria the board has laid down for awarding claims. I will certainly ask that the board review them.

The information the member has given is one of several opinions. I don't question it; I just say there are a variety of views on the matter. But I am quite prepared to ask the board to review its criteria with regard to arsenic.

Mr. M. Davidson: Supplementary, Mr. Speaker: Can the minister confirm that there is no standard for arsenic exposure in Ontario; if there is not, why is there not one, and why doesn't the policy set for compensation cover anyone who has possibilities of getting arsenical cancer, and not just those at the Deloro plant?

Hon. Mr. Elgie: Mr. Speaker, it is my understanding that threshold limits of values do apply with regard to all arsenical compounds. As I am sure the member knows, I personally went up to some of the gold mines in northern Ontario this summer, where some directions and some agreements were reached with regard to exposure to arsenic and mercury. So I am well aware of the problem and will be continuing to follow it with interest. Arsenic is one of the substances which is on a list of priorities for review by the occupational health and safety division for further consideration.

AUTO PACT

Mr. Cassidy: Mr. Speaker, I have a question for the Minister of Industry and Tourism, who was here until a moment ago. If he is behind the pews there, I would—

Mr. Eakins: He's gone to Europe.

Mr. Cassidy: He's gone to Europe.

Mr. Eakins: He knew you were going to ask him a question.

Mr. Bradley: He's gone to get the EDF regulations he was going to table in the House.

Mr. Speaker: Perhaps you can find another target.

Mr. Cassidy: Oh, good. Here he is now. I have heard of ministers ducking under the fiery onslaught of the opposition, but to leave the House before it even begins is—

Mr. Speaker: Question.

Mr. Cassidy: Given that the president of General Motors of Canada Limited said this week GM is giving Canada more than its fair share of investment through its recent announcement of $2 billion in investments in Ontario, does the Minister of Industry and Tourism think GM is giving Canada a fair share or not? Does the minister think this kind of investment will be enough to turn around the deficits in auto trade which we are now accumulating and which are now running at a record level of $2.2 billion for the first nine months of 1979?

Hon. Mr. Grossman: No, Mr. Speaker, obviously it won't be enough to turn around our deficit. Secondly, I am not terribly interested in getting into a dialogue on the member's definition or my definition or the Leader of the Opposition's definition of what is our fair share. As far as I am concerned, I won't be satisfied until we have a balance in terms of our balance-of-payments problem and our deficit in auto trade generally.

Mr. Cassidy: Given the fact that GM plans to spend some $38 billion over the first five years of the 1980s in its auto plants throughout North America, and since on a simple mathematical basis of market volume some 10 per cent of that, or close to $4 billion, should come to Canada in order for us to have a fair share, would the minister not agree that GM is falling far short of a fair share? What actions do he and the government intend to take in order to ensure that GM and the other automobile makers put a fair share of their investment in North America here in Canada?

Hon. Mr. Grossman: The leader of the third party may assess fair share in terms of assessing capital investment. I am equally interested in a definition of fair share, if any is going to be made, in terms of jobs and in terms of balance of payments, and not so much in terms of how much they are investing in each particular plant.

That is what we have been talking about to General Motors, Ford and even Chrysler in the last little while, because they are building some plants that are more labour-intensive and more export-oriented than others. Those are the kinds of plants we want.

I should point out to the leader of the third party that when they make these decisions, the way those firms operate—like it or not—involves decisions made to build a certain type of plant. Then it is put up for tender, as it were, by their various operations. Or they may decide they need a new product, a new engine assembly operation or

whatever; then several of the plants in the General Motors family may bid on that to get the right to make it in their particular plant.

One of the things that often happens is when a plant in Georgia comes along to bid into the head offices of General Motors, it is doing so with great assistance from the state involved. As the member well knows, that puts us in Ontario at a disadvantage for a plant which we might otherwise have received but for that intervention by that state.

Therefore, I say to the leader of the third party, among the things we will continue to do is be willing to have provincial government and provincial taxpayer participation, when necessary, in order to keep our fair share, however one wants to define it, of the new investment that is going on.

[10:30]

Second, we are meeting regularly with all of the automobile makers to do what we can to make sure we get our fair share of jobs, investment and export business. Third, we are actively supporting the duty-remission program and in the last few months have completed a successful trade mission overseas in Europe where we clearly moved at least one major European automobile manufacturer closer to a duty-remission scheme here in Canada which will go a long way towards offsetting our automobile trade deficit.

Finally, may I say, I have asked my ministry staff to join me in an analysis of the auto pact to see if it may not now be time to have a more intense look at some of the modifications that can be made within the confines of the auto pact to see if we can't do somewhat better than we have done, because I'm not satisfied with what's been done so far.

Mr. B. Newman: Mr. Speaker, a supplementary: Rather than using moneys invested, would the minister consider using labour content as a decision-maker as to whether we are getting our fair share? We import goods containing or produced with a certain number of hours of labour and we export a balance—or attempt to keep it in balance.

Hon. Mr. Grossman: Yes, Mr. Speaker, that's one of the things we have to build in. Another thing we have to build in, of course, is our continuing desire to get some of their research and development facilities here. Research and development facilities in many cases are not as labour-intensive as some of the other parts of their operations. They don't bring as many jobs, although they often bring many more capital dollars in terms of the investment here in our country.

We're trying to work with the companies to balance things off and get whatever one defines as a fair share in terms of the total picture, rather than trying to do an oversimplification by comparing capital dollars against capital dollars because those never give a fair picture. One of the measures that does give a fair picture is whether one has a chronic deficit in that particular sector and clearly Canada, after a couple of years where that wasn't the case, has now got what I believe to be a chronic deficit, and that's no good.

Mr. Laughren: Supplementary, Mr. Speaker: Since Ontario already did a study back in 1978 which indicated we were not getting our fair share, would the minister indicate to us the definition he must have had at that time in order to arrive at that conclusion? Since there is almost a 17 per cent unemployment rate in Windsor now with 7,500 independent parts employees out of work, perhaps the minister would agree it's time he sat down with the major automobile producers and said to them, "You are simply not giving us our fair share and we're not going to continue to bargain in the namby-pamby way we have in the past."

When is he going to start demanding our fair share, not just of investment, but also of research and development, of skilled jobs —everything that goes into the production and the sale of automobiles? When is he going to start talking in a tough way on behalf of Ontario and its workers?

Hon. Mr. Grossman: Mr. Speaker, may I say to the honourable member that simply because we don't talk to those companies through headlines, and simply because we don't talk to them on the front steps of Queen's Park, doesn't mean we don't have those conversations. I want to be as direct as possible. We do have those conversations.

If some of them were asked how they find us in terms of negotiations and discussions, I think they would report we are pretty difficult, and we are pretty tough. While we do everything we can to encourage investment, we do talk as firmly as possible.

Mr. Makarchuk: Why are we falling behind?

Mr. Cassidy: You're like the captain of the Titanic.

Hon. Mr. Grossman: If the honourable member wants to pretend we have enor-

mous clout which allows us to go to the table and say, "Do this or else," I would like to hear the honourable member give me some ammunition I might use that in his opinion says, "Or else what." I must say to the member we are taking a very difficult but constructive role with those companies. He can be sure we are in there making the case as strongly as possible, every bit as strongly, with respect, as the member or his leader could take if they ever were in the role to take that position.

Mr. Breaugh: Mr. Speaker, I'd like to ask the minister what he has done, from the aggressively prostrated position from which he bargains, to alter the production patterns in the nature of the vehicles that are here? Why are we now making all the wrong-size vehicles; and why are we now facing layoffs because they can't sell those vehicles in the United States?

Hon. Mr. Grossman: I might begin by saying I have often had success bargaining from that position.

Mr. Laughren: Fantasizing again, Larry.

Hon. Mr. Grossman: Delusions of grandeur.

What is happening now is that all of our discussions and all of our efforts are directed towards getting the auto manufacturers to do precisely that; we do want that.

When Chrysler is in talking to us, if its people do come in to see us in the next couple of weeks, that is precisely the position from which we will operate. That's what we want; we don't want anything else.

With regard to the Ford V-6 engine plant, the key thing that has often been lost in the shuffle is that it wasn't just another plant, it was the engine which will supply the lighter vehicles. As well, I guess General Motors changes, to be fair, all the new investment GM is putting in—and I admit I would have liked more to have gone to Oshawa—all the changes GM announced a few weeks ago, without exception—

Mr. Cassidy: That's a new tough approach; boy, they'll cringe at that.

Hon. Mr. Grossman: —were the kinds of changes that will provide us with input into the newer, lighter, fuel-efficient vehicles. None of those changes will feed the more expensive, heavier, less saleable automobiles. So all of them are going in the right direction—

Mr. Breaugh: You mean the paint shop is going to paint?

Hon. Mr. Grossman: —and that is the beginning point for all our discussions with those companies.

CORRECTIONAL SERVICES DISPUTE

Mr. Bradley: I have a question for the Minister of Correctional Services, Mr. Speaker.

In view of media reports that some 300 employees, many of them in the field of correctional services, have indicated they will be taking a strike vote within two weeks; and in view of the fact that under the labour laws of Ontario it is illegal for these people to strike; can the minister tell us what contingency plans he has to deal with this particular problem should a strike occur? Perhaps more important, what action is the minister taking to avoid a strike?

Hon. Mr. Walker: I think the number is actually 3,000 guards, about 2,600 or 2,700 of whom are from the Ministry of Correctional Services; the balance comes from the Ministry of Health and the Ministry of Community and Social Services.

Our contingency plans are basically to ensure that inmates are not released at a time a strike could possible occur. If one did occur it would be an illegal situation and we will take all steps necessary to protect the public of Ontario from any release of inmates as a result of a possible strike.

In the meantime, let me say the strike has not been taken. The strike vote is proposed for November 29. I have faith in the correctional officers of Ontario not to take an illegal action; I am sure that would not be the case. In addition, we obviously have contingent plans should something untoward develop.

With respect to the whole matter of correctional officers, the desire on the part of some of the executive members of the Ontario Public Service Employees Union and in this case the individuals involved with correctional officers, is to secure some kind of separate bargaining unit. I am not exactly sure why the separate bargaining unit is desirable, other than perhaps to alter the rate of pay; the reason has not been specified.

I would have to say our approach, and my particular approach in this ministry, is to ensure that all correctional officers are treated fairly. In that respect, one could almost say a separate consideration has existed. In the last bargaining round the correctional officers received two per cent more than any others within the same category so the differential was maintained.

The only other time it was a consideration was in 1974 prior to the wage controls period, when the award was a differential of one per cent, so it was an extra plus there. The union at that time would only permit

one per cent, even though the government wanted to have a four per cent differential. We have treated our correctional officers very fairly—we have treated them separately with differentials on the two most recent occasions—and we will continue to do so with respect to any potential strike. I would have to have faith of the correctional officers to the extent that they would not strike, that being an illegal action.

Mr. Bradley: Supplementary, Mr. Speaker: If the government has treated them as a separate entity why would the cabinet—I don't know what the minister's position might be on this—so vehemently resist their request that they be treated in law or in procedure as a separate bargaining unit?

Hon. Mr. Walker: Mr. Speaker, the government has taken the position that there are advantages to dealing with one bargaining unit that would be lost if there were many other separate categories. Within each area, whether it's health workers or nurses, no matter what it is—if there is a fragmentation of it I think that would probably lead to a lessening of the good feeling that exists between our government and its employees.

ART GALLERY OF ONTARIO

Mr. Grande: Mr. Speaker, my question is to the Minister of Culture and Recreation. It's related to the Art Gallery of Ontario, which was found guilty by the Ontario Labour Relations Board on five counts of contravention against the Ontario Labour Relations Act.

Representatives of the Ontario Public Service Employees Union tried on many occasions prior to lodging the complaint against the art gallery to the labour relations board to inform the minister's office of the unfair labour practices. He, as the minister responsible, refused to meet with them on each occasion. In view of that and the fact the taxpayers of this province paid out to the AGO this year $5.9 million in operating revenue, is the minister not concerned that his refusal to meet with the union representative acted as an encouragement to the management of the AGO to break the laws of the province?

Second, does the minister think it appropriate that $30,000 of public money should have been spent by the management of the art gallery in lawyers' fees to fight charges, to deprive workers of their legal rights?

Hon. Mr. Baetz: Mr. Speaker, it is true I have not so far agreed to meet with the representatives of the union. I feel that because of the relationship of the Art Gallery of Ontario to my ministry it would have been highly inappropriate and improper for me to meet with that person.

The Art Gallery of Ontario is a separate entity. It's a corporation; it has its own elected board. The board is elected to manage and to run the place. For that reason I felt it would have been totally inappropriate for me to be having a series of meetings with the representatives of the labour union.

Mr. Breaugh: Hear the other side of the story; it's unfair to hear only one side.

Hon. Mr. Baetz: I have taken the necessary steps to remind the management of the art gallery what their responsibilities and duties are in terms of negotiations in times like this. I have been assured by the management of the Art Gallery of Ontario that negotiations and bargaining were going on in good faith.

I do understand—and I may be corrected on this—that the five charges alluded to by the honourable member opposite were not charges against the management of the Art Gallery of Ontario but against certain individual employees. I think there is a subtle but very important difference there.

Mr. Makarchuk: It's extremely subtle, almost unnoticeable.

Hon. Mr. Baetz: The art gallery management and the board, certainly as far as I can tell, have been proceeding and have been bargaining in good faith on this.

I would not deny there are quite a few employees of the Art Gallery of Ontario who, frankly, are upset at the prospect of the place being unionized. I can understand that.

[10:45]

Mr. MacDonald: Is the minister challenging the labour board?

Mr. Cassidy: Is he challenging the labour board? What is this?

Hon. Mr. Baetz: Not everybody feels exactly the same way about unions as some do. Frankly, I think that in situations like this anybody who has ever been in similar—

Mr. MacDonald: The minister is espousing the cause of the minority.

Hon. Mr. Baetz: Do the members want me to continue?

Mr. Speaker: Just ignore the interjections.

Mr. Riddell: The minister is challenging the labour board.

Hon. Mr. Baetz: It's pretty hard, Mr. Speaker, but I'll try. There is no doubt that in a situation like this some polarization has occurred. It frequently does occur, and par-

ticularly in a situation like the Ontario Art Gallery—

Mr. MacDonald: Which pole is the minister on?

Hon. Mr. Baetz: —where there is very heavy activity, substantial activity by volunteers; volunteers who may have some difficulty in understanding why the place should become unionized. I think that is understandable.

Mr. MacDonald: We should take the minister before the labour relations board.

Hon. Mr. Baetz: I also feel that when we say the Ontario Art Gallery is financed by public funds that's quite correct. I would think that possibly the majority of the finances come from the public purse, but I do think we should always keep in mind, in dealing with an organization like the art gallery, that very substantial contributions have been made over the years, over the decades by volunteers giving up their free time, by people who have given up their art—

Mr. Makarchuk: What's that got to do with the union?

Hon. Mr. Baetz: —and have made contributions in that way.

Mr. Cassidy: Does the minister subscribe to the Labour Relations Act or doesn't he?

Mr. Breaugh: Dispense.

Hon. Mr. Baetz: We should not simply assume that the art gallery is simply totally and entirely an organization that is funded by public moneys, that is not quite correct, there is a very strong volunteer influence there.

Mr. Speaker: Time. A supplementary.

Mr. Cassidy: The minister is out of order for irrelevance.

Mr. Cooke: He should be promoted to a Minister without Portfolio.

Mr. Grande: I'll make this supplementary rather short, Mr. Speaker. Could the minister comment on that $30,000 in legal fees?

Mr. Conway: I'm glad Reuben ran for the Tories.

Mr. Grande: Would the minister make a commitment to issue some kind of directive to the other cultural institutions that receive provincial funds, that under no circumstances should the management actively involve itself in breaking the laws that this Parliament passed?

Mr. Breaugh: That sounds reasonable.

Mr. MacDonald: As the minister did in his verbal statement.

Hon. Mr. Baetz: Mr. Speaker, certainly, as I have already done. I have already advised the management of the Art Gallery of Ontario—and I'm quite prepared to remind other managements—at the Royal Ontario Museum or any other similar institution—that they should respect and stick to the laws passed by this government. That goes almost without saying. I don't need that kind of admonition or reminder from across the floor.

Mr. Speaker: I want to thank the honourable minister for his very crisp answer.

Hon. Mr. Baetz: On the matter of the $30,000 expended, I can check into that and see if that kind of money was spent in hiring legal counsel.

ABERFOYLE TRAILER PARK

Mr. Epp: Mr. Speaker, I have a question for the Provincial Secretary for Resources Development regarding the trailer park development near Aberfoyle, a project with which he is very familiar.

Given the fact that the Puslinch council opposed the project of a trailer park of some 500 sites near Aberfoyle, and given the fact that the area was an environmental sensitive area, and given the fact that the principals had earlier declared personal bankruptcy, does the minister think it was proper for him to intervene in support of the developer?

Hon. Mr. Brunelle: Mr. Speaker, my recollection would be from about two years ago when I was asked to obtain information so I will have to look in my files, but I haven't intervened in that respect.

Mr. Epp: Does the minister deny the fact he wrote a letter which stated:

"Mr. Catcher's proposal has a lot of merit and I think the club will be good for the township."

Secondly, since the area has still not been zoned properly, and since already 200 to 240 sites of the total 500 have had trailers up on them, what would he advise the council to do in this circumstance?

Hon. Mr. Brunelle: As I said, it was about two years ago this matter was brought to my attention. When it comes to a trailer park or anything to do with tourism, I am entirely in support of creating more jobs. I did not interfere with any of the applications, and I would be pleased to meet with the honourable member to show him my file.

Mr. Blundy: Supplementary, Mr. Speaker: Since the financial stability of the company involved is very shaky at the best, and since many of those who have already purchased lots have not yet registered on title, what advice does the minister have for those people who are in such a precarious position?

Hon. Mr. Brunelle: Mr. Speaker, I would be glad to include the member for Sarnia in meeting with the honourable member who asked me the previous question.

REFUGEE ASSISTANCE

Mr. Swart: Mr. Speaker, my question is to the Minister of Intergovernmental Affairs. Is it not true that the payment of the $315,000 which he announced this morning has little or nothing to do with providing any relief towards the present horrendous tragedy that is taking place in Cambodia where perhaps one third or one half of the population are going to die of starvation? Is it not true that the Canadian Red Cross has requested $1 million from his government to be used in Cambodia?

Would I be right in assuming his government is deeply concerned about the degree of catastrophe there, where there are only 50 doctors to take care of the 2.5 million people? Will the minister, therefore, assure this House his government will provide the kind of assistance that has been asked for in money, supplies and personnel to minimize the human carnage that is taking place in that unfortunate country?

Hon. Mr. Wells: Mr. Speaker, in answer to what were several questions, first of all, the sum of money I announced was given to the Red Cross this morning did not have anything to do with the present situation in Cambodia. It was part of the campaign the Red Cross ran a few months ago concerning the camps for Vietnamese refugees in Malaysia, Hong Kong and so forth.

The matter of support for assistance in Cambodia is still under consideration. We have just had the request from the Red Cross. I am still not completely clear as to what the federal government has done. Their involvement on behalf of all the people of Canada, which includes the people of Ontario, is of paramount interest to us, particularly since we have been providing extensive relief funds for disasters which have occurred in this province and have received no federal disaster aid. Perhaps that is the way it will be. I don't know. We are going to continue to ask for it. In that area, our first responsibility is to assist in the relief of disasters in this province. We would hope to get federal aid but we have no assurance there.

In the Cambodian situation we support the premise the member has put forward that everything has to be done in that very unfortunate situation. We are looking at the request the Red Cross has just made, and we are trying to find out exactly what is the federal involvement on behalf of all the people of Canada in that area.

Mr. Swart: Can I impress upon the minister the urgency of this situation, which has existed for several weeks? I deplore the fact that he has made no decision on it yet. Is the minister not aware that the International Red Cross has asked for $251 million to deal with this, and that a relatively prosperous province like this should be involved in providing some assistance? Surely the minister must be aware that authorization now has been given to opening up the Mekong River so that supplies can get into those people who are suffering. Doesn't he think these circumstances warrant a quick, major action on the part of his government to relieve the suffering?

Hon. Mr. Wells: I am convinced that the fact we are considering the various financial assistances to the Red Cross is in no way holding up the great work the Red Cross is doing in moving supplies into that area.

Mr. Swart: It certainly is. They can't hire Canadian doctors without money.

Mr. Speaker: The Minister of Industry and Tourism has a short answer to a question asked previously.

Mr. Bradley: Is he going to table the EDF regulations?

SHOP CANADIAN PROGRAM

Hon. Mr. Grossman: Mr. Speaker, on October 15 the member for Hamilton-Wentworth asked me a question with regard to the shop Canadian program and one of my federal colleagues. I now have a short response which I will read. It is a letter from Flora MacDonald:

"Dear Mr. Grossman," which was scratched out —"Larry: It has been brought to my attention that a question was directed to you based on an article which appeared in the Toronto Star and subsequently in the Kingston Whig-Standard, claiming that I spent $4,000 on a shopping spree in London, England. I can assure you this is not only false but also impossible. I don't have $4,000 to spend on anything, let alone clothes."

Interjections.

Hon. Mr. Grossman: I thought Friday morning would be a good time for it.

"In the past, almost all of my clothes have been purchased in Kingston, and this will most certainly be my practice in the future. Sincerely, Flora."

Mr. T. P. Reid: That explains something.

Interjections.

Mr. Peterson: Would you consider a donation to clean her up for the sake of Canada?

Mr. Isaacs: A point of privilege, Mr. Speaker: The minister, in his remarks just now, referred to the member for Hamilton-Wentworth. I wonder if you would ask him to correct the record. It was not the member for Wentworth, and there is no member for Hamilton-Wentworth.

BROWNING-FERRIS INDUSTRIES

Mr. McGuigan: Mr. Speaker, in the understandable absence of the Minister of the Environment, I would like to ask my question of the Minister of Intergovernmental Affairs.

As the minister probably knows, the government has guaranteed up to $100,000 to the commercial company Browning-Ferris Industries in the event their application and proposal for a liquid waste plant in the township of Harwich in the county of Kent fails.

Can the minister see the justice of the government guaranteeing a commercial company up to $100,000 while at the same time offering nothing to the local municipalities that would like to investigate, research the project and defend themselves?

Second, can the minister tell us what part of the environmental act or law permits the government to guarantee a sum such as that to commercial companies?

Hon. Mr. Wells: I am afraid I can't help my friend, Mr. Speaker. I will be glad to pass the question on to my colleague the Minister of the Environment (Mr. Parrott). We will get an answer for him, but I am afraid I know nothing of the situation he has suggested. I wouldn't attempt to quote to him the law that provides for that grant, but I am sure the authority in law is there.

Mr. Swart: Supplementary, Mr. Speaker: Would the minister personally not agree that if there is going to be any degree of fairness and any impartial investigation, the municipality or some citizens' group should be funded on the same basis as the company?

Hon. Mr. Wells: As a quick answer, I would say no, Mr. Speaker.

ESL PROGRAMS

Mr. Grande: Mr. Speaker, my question is for the Minister of Education and it is regarding the provision of English as a second language for the Vietnamese children.

Could the Minister of Education inform the House how many provincial dollars have been allocated or will be allocated to the boards of education to set up classes in English as a second language for the 6,000 Vietnamese refugee kids—that number is according to the statement the minister made in the social development committee the other day—who are entering Ontario schools? Ninety per cent of those children, according to the minister, do not speak any English or French.

Hon. Miss Stephenson: Mr. Speaker, I am sure the weighting factors within the general legislative grants will accommodate almost all of the children, since they will be distributed rather widely across the province. There will probably be a major concentration within Metropolitan Toronto, but that concentration will probably be a good deal less than we have experienced in the past with important influxes of new immigrants from other parts of the world.

[11:00]

I shall be pleased, when the general legislative grants regulations are developed, to inform the honourable member of the exact weighting factor that will be used this year but until that time I can simply tell him that we are attempting to accommodate this specific problem.

The one piece of information I could give him is that the anticipated numbers of arrivals have not as yet materialized. We anticipate that indeed they will eventually, but certainly the numbers have not reached the levels that were projected earlier on.

Mr. Grande: Supplementary: Since the legislative grants, as the minister already knows, will not come into effect, or at least the boards will not get any money as a result of the legislative grants, until February 1981, and since by that time all of the children would have been placed in schools in Ontario, does the minister not have any emergency moneys that could flow to the boards immediately to set up these classes? As far as I understand, Toronto already has 660 of these children and they require teachers and other services. Approximately $1 million would have to be spent in the city of Toronto alone and that would be over the—

Mr. Speaker: The question has been asked.

Hon. Miss Stephenson: We have been anticipating we could meet the requirements through the funds that are available to us at this time.

ADOPTION LEGISLATION

Mr. Kerrio: Mr. Speaker, I'll direct my question to the Minister of Intergovernmen-

tal Affairs. Now that the new Child Welfare Act provides a subsidy for parents adopting severely handicapped children, and knowing that there are 25 couples anxious right now to complete adoptions with the aid of this subsidy, can the minister explain why the government, five months after passing Bill 114, still has failed to negotiate with the federal government the exemption of this subsidy from federal income tax?

Hon. Mr. Wells: I'll have to take that under notice and look into it. My friend the Treasurer (Mr. F. S. Miller) is constantly negotiating various matters with the federal government, and as the honourable member knows, it is going to bring down a budget soon, so perhaps there will be some announcements in a lot of areas when that budget is brought down.

Mr. Kerrio: While the minister is posing that question, he may bring this to the attention of the proper minister. In view of a constituent of mine being allowed to complete the adoption of a severely abused child through an order in council and without the aid of the Child Welfare Act, could the minister expect that the other 25 adopting couples may also proceed with an order in council so that they need not be subjected to the painfully slow provincial-federal negotiations on this section of the act? I am sure the minister would concur with me that those people who are prepared and willing to adopt severely handicapped children should not go through the painful process of waiting for this kind of negotiation.

Hon. Mr. Wells: I absolutely concur with the honourable member on that and I'll look into it.

ASSISTANCE TO STUDENTS

Mr. Cooke: A question for the Minister of Colleges and Universities: I would like to ask the minister if she is aware that for the students who are receiving loans through the Ontario Student Assistance Program, their interest rates have risen from September 10 of this year from 13.5 per cent to 16 per cent. Does she understand that there are enough studies that indicate students from working-class families are already reluctant to take loans out in order to go to university? Does she not recognize that this is a further disincentive for ordinary people to get into our universities? What is she prepared to do to rectify the problem?

Hon. Miss Stephenson: It is my understanding that the interest rate for student loans, while it is effective once the loan is repayable, may fluctuate a great deal during the term of the loan without ever affecting the total amount that the student would have to repay. The entire area of student assistance has been a matter of concern to the council of ministers of education since the majority of the student loans provided come through the Canada student loan arrangement.

Mr. Cooke: This is the Ontario student loan program.

Hon. Miss Stephenson: The Ontario student loan is provided under a supplementary loan program which is provided for students with specific problems within the province.

This is an area we are looking at at this time. I am not sure precisely what modifications will be made to the program next year but certainly the concern about the level of interest rates is one of which we are very much aware.

Mr. Cooke: Supplementary: What in the meantime do students do? I'm thinking of one of whom I was notified, Elizabeth Timm from Hamilton, who has had her interest rate raised from 13.5 per cent to 16 per cent. Can the minister not give us specific recommendations and plans of her own ministry that she intends to implement for next year? We already know she is going to implement a tuition increase, which is another disincentive for working-class students to go to university.

Hon. Miss Stephenson: In response to the member's last statement, we really do not have any solid information to support the thesis he is proposing. In actual fact, in terms of participation rate in post-secondary institutions, Ontario rates extremely high—third after Japan and the United States. I would remind the honourable member that tuition rates in Japan are at least double what they are for Ontario students. Tuition rates in the United States are significantly higher in most instances than they are for Ontario students.

Indeed, in the areas in which there is no tuition fee at all, such as Sweden, the participation rate is significantly lower for students than it is in Ontario—and similarly in Great Britain where there is a minimal tuition fee. So the thesis the honourable member is trying to present—

Mr. Cooke: What does that have to do with the problems we're raising here? A bunch of nonsense.

Hon. Miss Stephenson: —is one that is not widely supported at this point with any factual or valid information.

Mr. Cooke: You are comparing apples and oranges.

Hon. Miss Stephenson: I suggested to the honourable member that we will look at the interest rates being charged to students being assisted under the Ontario Student Loan plan and we will try to make some accommodation to minimize the burden for them.

NOTICE OF DISSATISFACTION

Mr. Grande: Prior to the petitions, Mr. Speaker, I am dissatisfied with the answer the Minister of Education gave to my question and I would like to debate it at the proper time.

REPORT

STANDING RESOURCES DEVELOPMENT COMMITTEE

Mr. Riddell from the standing resources development committee reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Natural Resources be granted to Her Majesty for the fiscal year ending March 31, 1980: ministry administration program, $24,932,300; land management program, $93,829,500; outdoor recreation program, $68,387,000; resource products program, $62,876,700; resource experience program, $11,388,800.

INTRODUCTION OF BILL

ONTARIO DRUG DISPENSING FEE ACT

Mr. Breaugh moved first reading of Bill 184, An Act respecting the Ontario Drug Benefit Plan.

Motion agreed to.

Mr. Breaugh: Mr. Speaker, the purpose of this bill is to save us all a great deal of money. It limits the number of dispensing fees that may be charged under the Ontario Drug Benefit Plan where an individual requests a dispensary to fill the same prescription over a period of time. The dispensary is limited to charging one dispensing fee in each six-month period to that individual.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, before the orders of the day, I wish to table the interim answers to questions 336, 337 and 355 standing on the Notice Paper. (See appendix, page 4579.)

STANDING ADMINISTRATION OF JUSTICE COMMITTEE

Mr. Renwick: Before the orders of the day, I would like to advise the government House leader that the meeting of the standing committee on the administration of justice, which was supposed to take place immediately following the question period this morning and again this afternoon, has now been cancelled. I make the statement as vice-chairman of the committee, in the absence of my colleague the chairman, and after consultation with members of the committee in all three parties.

I understand the parliamentary assistant has so advised the Attorney General (Mr. McMurtry). I would appreciate it, Mr. Speaker, if the Clerk at the table would so advise the clerk of the standing administration of justice committee.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF REVENUE (continued)

On vote 801, ministry administration program; item 1, main office:

Mr. Haggerty: Mr. Chairman, at the last session we had with the minister relating to his estimates, I had raised the matter about the racetracks in Ontario, which may be running into some difficulties, and particularly the horse owners and horse breeders, whose purse winnings perhaps are not high enough.

The minister did indicate he wouldn't be opposed to seeking some assistance for the small tracks. I hope he conveys that to the cabinet because we could be running into a serious problem here. We do generate approximately $35 million to $45 million a year from racetrack tax, and it wouldn't hurt anybody to put a little share of that back into adding larger purses for the horse owners in Ontario. I would suggest to the minister that it is worthwhile spending perhaps $2 million to generate additional income source from the racetrack. He may lose it if some action is not taken.

Other members have spoken on the matter of the new equalization factors. Like the other members who have spoken, I am a little bit lost as to why the minister did not make any impact analysis on the related facts to the equalization factors for a number of municipalities in Ontario. I don't know what the minister is going to do next year.

The information I have here from the Minister of Intergovernmental Affairs (Mr. Wells) is his announcement of Friday, October 12, 1979. In his proposal then he said no municipality will have its portion of the costs of a county, region or other joint body increase or decrease by more than five per cent because of the use of new factors in 1980.

Hon. Mr. Maeck: With all due respect to the member, we are on vote 801, which has nothing to do at this time with—

Mr. Haggerty: This is right. This relates to administration policy. The question is, what policy are you going to have in the year 1981? This is only a freeze on equalization factors for the one-year period, based upon the 1978 market value. What steps is your ministry going to provide to relieve the impact in 1981, if we continue with the freeze on market value assessment?

The other matter is a policy decision to apply a tax rebate on property taxes deductible from income tax payable. Ontario Proposals for Tax Reform in Canada by the former Treasurer of Ontario, the Honourable Charles MacNaughton—we kind of miss that gentleman around the House—says:

[11:15]

"The Ontario government has stressed consistently that meaningful and comprehensive tax reform in Canada must take into account the heavy burden of property tax and other regressive taxes being borne by our poorest citizens and those who have not shared fully in the economic advance of recent years. We believe that revenues from income taxation could be used to offset provincial-municipal taxes, which are not related to individuals' ability to pay, in order to achieve adequate redistribution of total tax burdens.

"As emphasized in our white paper, such comprehensive reform can best be accomplished through the income tax system. Consequently, we recommend that the revised income tax incorporate credits against income tax liability for property taxes and other taxes paid to provincial-municipal governments. Because such integration of tax burdens will be costly in the terms of revenue, we suggest that initially tax credits be available only for those who do not earn enough to pay any income tax."

Apparently your federal counterparts have jumped on to that particular bandwagon. This extract is from Ontario Proposals for Tax Reform in Canada. So they will perhaps be bringing in some legislation to apply tax rebate on property through income tax to property owners and local municipalities.

The question arises then, is this under federal jurisdiction. Is it consistent with the principles of the British North America Act or does it now mean that the door is open and that municipalities may deal directly with federal tax-sharing programs? In the past, I believe municipalities were invited to share in viewing the process of the Edmonton commitments between the federal and provincial governments but not invited to have any voice or say in the matters. If this is the case, then I'm delighted that perhaps now municipalities can deal directly with the federal government in tax-sharing. This is long overdue.

The other question related to this is, will this have any impact on the present Ontario property tax credits. Will this still continue or will it be dropped by your ministry?

Hon. Mr. Maeck: Mr. Chairman, while neither of these particular items comes under the vote we're dealing with, I'm happy to answer the member anyway. As I'm sure he is aware, the responsibility of the Ministry of Revenue is to produce equalization factors relevant to current market value assessment. My responsibility actually stops when those factors are produced.

It then becomes the responsibility of the Ministry of Intergovernmental Affairs, the Ministry of Education and others that provide the grants and also deal with the apportionments between municipalities as they relate to regional, district or county costs. Therefore, the question the member has posed as to what will happen in 1981 relative to the equalization factors is one that must be answered by someone other than me. It's a question that must be asked particularly of the Treasurer (Mr. F. S. Miller) and the Minister of Intergovernmental Affairs (Mr. Wells).

I can assure the member this government has no desire or intent to cause great burdens on small municipalities in Ontario. So in any policy that is developed, the problems that now exist are going to be taken into consideration. In other words, we are very much aware of the problems that have arisen because of the new factors and the government is sympathetic to those problems. I'm sure I'm not speaking out of turn when I say we, as a government, will not be bringing in policies that are going to be overly harmful to the smaller municipalities.

On the matter of income tax being used to offset property taxes and so on, I think the member is also very much aware of the Ontario tax credit system which is based on income. At this time we are using income as a means of providing taxpayers on low income, senior citizens, people on disability pensions and so on with some assistance through the Ontario tax credits. That is where the relationship is involved. It's tied in, of course, to income.

People on low incomes are now getting the advantage of the Ontario tax credits, which I might say this year will total almost half a

billion dollars; $455 million is the estimate we have that will be spent this year to assist low-income people, senior citizens and others with Ontario tax credits. We have tied that program into the income tax system. As the member is aware, application is made at the same time the applicant files his income tax return. It is tied directly to income tax.

The federal program is another matter. Certainly, it does not and will not, in my estimation at least, give the municipalities the right to deal directly with the federal government. Municipalities are there because this government has passed an act known as the Municipal Act. Municipalities in the province of Ontario are a product of the provincial government and also a partner in the governing of the municipalities.

I don't see that as changing. The property tax credit program the federal government is introducing will certainly be sent directly to the property tax payer and not go through the municipalities. To the best of my knowledge the municipalities will have absolutely nothing to do with that program and I don't really feel they should.

Mr. Haggerty: The minister hasn't quite answered the last point of my question which was, will the federal program have any effect on the tax credit program of the province of Ontario? Assuming a property tax payer will receive a tax rebate of, say, $100, is this ministry going to reduce its tax credit by $100? This is what has usually happened in the past, that one can't get double tax credit, in a sense.

If the federal government does implement such a program to give assistance to the taxpayer, I wondered whether the government of Ontario might reduce its tax credit to those property owners.

Hon. Mr. Maeck: Mr. Chairman, I would advise the member—and I am not now speaking from government policy, particularly, but from my own viewpoint and the viewpoint of the Ministry of Revenue—whatever the property owners get in property tax credits from the federal government would be passed on; it would have no effect on the Ontario tax credit system at all.

I would remind the member that as far as the Ministry of Revenue is concerned the increases in guaranteed income supplement to senior citizens over the years, which as you know is tied to the cost-of-living index and adjusted by the federal government, quarterly I think, has always been passed on to the senior citizens. We have never at any point reduced our guaranteed annual income system program by the amount by which the federal government has increased its guaranteed income supplement program. We have always passed it on. I see no reason at this time to think the federal property tax credit program would not be passed on in the same way we have passed on the guaranteed supplement to senior citizens. I personally would favour that.

As I say, to the best of my knowledge, there have been no policy discussions in government as to what effect the federal program would have on our program. I can assure the member I would not personally be in favour of reducing the Ontario tax credit program by the amount they might receive from the federal government. I think that would be a step backward. The whole thrust of the federal government's program is to assist property taxpayers to pay their taxes, as is ours. To give with one hand and take away with the other to me is creating another bureaucracy for no purpose at all.

Mr. Charlton: I assume it is appropriate to raise this under ministry administration. In my opening remarks I raised a number of points which I think the minister might not have quite understood.

In his response, he took the view that I had already expressed: that we understood the Treasurer, under the present structure, was the person who was designated by the cabinet and this government to make policy decisions on taxation. We understand that.

We also understand—and I want to make it very clear—that the minister's staff and probably the minister himself consult with the Treasurer and his staff at budget time. That's not the point I was trying to make in my opening remarks at all. When I was talking about what I see as the failure of the Ministry of Revenue to speak out I was referring to those people with expertise having something to say about the things going on in the taxation field in the province.

I would like to run through some examples that might make clearer to the minister what I'm trying to say about what should be happening in the Ministry of Revenue so that perhaps he can respond in a somewhat different way.

At present we get a budget, usually every spring, from the Treasurer. It includes not only the policy statements of the government—what they feel has to be accomplished by the budget in that year—but also those tax changes and expenditure changes from the previous year which the government feels are necessary to accomplish those policy goals. All we ever get in the budget is the change from the last package. We debate

whether or not the addition of retail sales tax on cable television is justified or not, but we debate that in isolation.

When one is making general criticisms, there have been occasions when recommendations and admissions have come out of the Ministry of Revenue. But what we would like to see coming out of the ministry is a white paper or a green paper or a red paper—whatever you want to call it—a complete analysis of the taxes we have in place. Then we could see their economic and social effect, whether it be positive or whether it be negative; the aspects of how changes in those taxes affect the job market and job creation, or perhaps even cause a decline in employment; some analysis from the ministry of the difficulty of enforcing all those taxes—the difficulties of collecting all the revenues; and their relative social equity, if you like.

That's the first thing I would like to see come out of the Ministry of Revenue—a fairly thorough analysis of what we've got right now. Then not only the things the Treasury does but the things the rest of us in this Legislature get involved in would have some more relative consequence, some more relative focus, in terms of the budget itself.

Normally any move on the part of the opposition parties to change anything in the budget is treated as a motion of no confidence. On the other hand, we had an example in 1978 with the OHIP increase. Between the way the opposition parties in this House raised the issue and the public pressures that were brought to bear, we had a change in the budget without it becoming a no-confidence motion.

I firmly believe confidence is not necessary in all situations that relate to the budget, but that's a debate we can get into a little further down the road once we've got some good groundwork done.

[11:30]

I'd like to give a couple of specific examples of what I was talking about and I'll relate it to assessment.

This government and this Legislature ultimately—because obviously there were people in both of the opposition parties in 1968 or 1969, whenever the vote was actually taken on the amendments to the Assessment Act, but at some point this government and this Legislature decided to go the market value route. We've all been through the debate over the delays and I won't go through all of that again, but we had budget paper B or E, whatever it was, in 1976.

We've had the Blair commission and we've had Mr. McKeough's white paper which, I would assume, came out of Treasury and Economics in 1978. We've had the joint provincial-municipal committee which also reported in 1978. We had some slight differences in approach and points of view in each of those reports but they all tended in the same general direction. Unfortunately, none of them provided any answers which allowed this government, the minister, the Treasurer, this House to deal effectively with the whole question of assessment reform and property tax reform.

Unfortunately—and this comes back to what I was saying last Friday—all of the expertise in terms of the real minute problems in assessment, the real minute problems in market value, exists in the Ministry of Revenue. Sure, there are people in Treasury and Economics who fully understand the assessment procedure and who play around on their computers—and perhaps even by hand, I don't know—with the total figures, total shifts and so on, but all of the real expertise, the minute expertise, the refining expertise exists in the Ministry of Revenue and nowhere else.

Yet, we have had no effective statement from the Ministry of Revenue on the whole question of market value. We've had no effective statement or analysis of what the real problems with market value are, whether or not those problems can be effectively dealt with; in other words, whether we should be proceeding to eventually go to market value or whether in fact the political, social and economic problems that are placed by market value suggest that perhaps we made a mistake in 1969 and we should now be changing direction.

What I'm suggesting, Mr. Minister, is not that you should necessarily be the one who makes the final policy decision. I don't even think that should fall on the Treasurer. He is perhaps the one who should make the final policy recommendation, but it should be a function of that government and that cabinet to make the final policy decisions.

All I'm saying to you is it seems logical to me, to us, and I would assume to a number of people in this House—and I think if you think seriously about it it should seem logical to you as well—that there should at least be coming out of the Ministry of Revenue, the place where the expertise exists, some policy recommendations in terms of market value, in terms of its implementation, or a statement that you now believe the problems with market value are insurmountable and that we should modify that in some way or perhaps

go in a totally new direction. Those recommendations aren't forthcoming.

Yes, I understand that your staff may very well be having a daily conversation with Treasury staff, Intergovernmental Affairs staff and Ministry of Education staff. I don't doubt that at all. But what I would like to see is a package of recommendations on a function which is a function of your ministry—recommendations and nothing more—recommendations that the Treasurer could consider in the same way that he has considered the Blair commission report and the joint committee report, recommendations that your colleagues in your own party have considered, recommendations that the parties on this side of the House could consider and recommendations that the public could consider. But we have had nothing.

Yes, we have made some gains. I have admitted that before and I will admit it now. We have made some gains in assessment, very small though; in terms of what our goals really were, very small. We have made some gains, but we are not going to get out of the ditch in terms of the basic thrust of property tax reform unless someone gives some leadership and some directions to the whole process. It seems quite essential to me that that leadership has to come from the place where the expertise is.

Hon. Mr. Maeck: Mr. Chairman, this is a matter we have discussed many times. My ministry has made recommendations to the people who were authorized to proceed with property tax reform. This happened to be the Ministry of Revenue, as the honourable member well knows. The property tax reform machinery that was put into place was under the direction of the Treasurer. The Blair report, the final report that came in between from the provincial-municipal committee, was under the chairmanship of the former Treasurer, but our staff have been making recommendations internally to this government for a long time.

I have stated publicly in this Legislature and in other places that the Ministry of Revenue still favours market value assessment. If we went directly to 100 per cent market value assessment—as the honourable member knows we do have figures for market value assessment for 1975—we know what shifts would take place. We agree, I am sure, that to do that we do need some form of property tax reform.

All the information is contained within the Ministry of Revenue—all of the information as to the changes that would take place between the assessment as we know it today and market value assessment—and if we moved to 100 per cent market value assessment, sure we could project what is going to happen. We already did on the white paper that the former Treasurer produced. The information that was given to the Treasurer's people come from the Ministry of Revenue.

That information is there. The problem is how do we implement market value assessment without creating those very major shifts we all know will take place, the shifts from commercial and industrial assessment to residential?

The report from the provincial-municipal committee suggested that 50 per cent assessment on residential, 75 per cent on apartments, 100 per cent on industrial and commercial and that was the way we were going to strike that balance. It looks good when you talk about it. Province-wide, on the general average, it is great. But when you apply it to every municipality in Ontario you will find that in some of them it works fine, in others it doesn't work quite so well.

As all the members know, if you make up an assessment it is not the same in every municipality. It is different in every one. So I have been saying, and I hope the honourable member would agree, that if we are going to develop any kind of a property tax reform package it must be something that is flexible enough to be adjustable to each municipality, rather than a blanket policy for the whole province, because every municipality is different. Their assessment, their makeup, their tax base is different and what might work well for the city of Toronto would not work for the town of Parry Sound. What might work well for the town of Parry Sound might not work well for the city of Ottawa.

It is a very complex problem. A lot of work has gone into it, a lot of study has gone into it. Our ministry has been involved. We have not been the lead industry in property tax reform. Perhaps the member is suggesting we should be, I don't know. That is a matter for government to decide, not just the Minister of Revenue. To this time it has been the responsibiliy of the Treasurer to head that particular program. That responsibility has not changed at this point.

As the Minister of Revenue I would certainly like to have more input. I agree with the member that we are the ones who have all the detail that is necessary, but I must say we have provided all of that detail to the people who are responsible for developing these programs. Our staff has worked with them, and the recommendations, while they

have not been published recommendations, those recommendations have been developed by the Ministry of Revenue and given to the people who are responsible for property tax reform proposals.

I suppose the more authority I have the more I would like. I am human, but I cannot be an island unto myself. There are other ministries involved with municipalities besides the Ministry of Revenue. All of us must communicate on a matter such as this and all the municipalities themselves must communicate. The problems out there are great. There is no one in this Legislature who knows it better than the member for Hamilton Mountain because he is, or was, an assessor and he knows the problems.

I don't know what else I can tell the member other than that I don't disagree with what he is saying, but I think he also has to realize the whole program is set up in such way that up to this point the Treasurer has been the person designated by the province to spearhead it.

Mr. Charlton: I would like to thank the minister for doing a reasonably good job of arguing the point I was making. There is no question that Ministry of Revenue staff had some input into all the studies that have been done. There is no question that you have all the data. There is no question that data was provided to all the people who worked on all the studies, but let's just take the last study as an example. It was a provincial-municipal joint committee on property tax reform.

Sure, the Treasury people involved on that committee had data, your ministry provided data, your ministry provided input and recommendations and we ended up with a package that looked nice, as you suggested quite clearly, but it didn't fit across the entire province because of the differences between municipalities. That is exactly what I was talking about in terms of the minute, the refining.

Has your ministry ever been involved in sitting down and writing out a package of specific, precise recommendations in terms of how to implement market value assessment and avoid the political, social and economic tax shift problems that market value implies in the context that it has been looked at so far?

Sure your people are making recommendations to every committee and to the Treasurer and to everybody else, but how much does the expertise your ministry has get lost in the special interests or prejudices involved in those other study committee groups?

[11:45]

The best example I can think of, again, of how you lose the specifics, how you lose the fine tuning, if you like of a recommendation that might be flexible enough to work across this province is if your people go in and make recommendations based on totals by municipalities or totals by county or whatever it happens to be to the municipal and Treasury and Intergovernmental Affairs people who are assessing that data and actually writing the final recommendations in the report. How much generalization do we get? How much give and take do they have to go through because this particular area of the province, or this particular municipality or county has a representative in that group and perhaps its share of something is going to go up slightly or whatever?

The minister knows what I am getting at. He was talking about authority. I wouldn't even mind granting him some additional authority if he would do some of the things I am talking about, but in this case I am not even talking about additional authority. I am not talking about whether he is the person who makes the final decision.

I am talking in terms of producing the best product, in terms of the ability to put together a package to implement market values and the fine tuning that is involved so that it will work right across this province, or, as I suggested earlier, perhaps at some point making the recommendation that there is no effective way to get over the political problems involved. I don't know.

It is true I was a property assessor and it's true that I probably have a better sense of what all of the things that have gone on mean, but I don't have a provincial perspective, because unfortunately I didn't work in every municipality in this province, so I don't have all of the data. Neither does Treasury in terms of a specific defined sense, because every municipality is made up slightly differently. The minister's people have the expertise right from the minister on down to the assessor who does the neighbourhood, and he knows the relationship to the next neighbourhood and that municipal relationship to the next municipality in the same county. The only place where all of the ability to fine tune an implementation package for property tax reform exists is with the minister.

The minister may produce a white paper like that, which includes all of the recommendations which he can fine tune right down to the last minute detail. He has the expertise to do that. That white paper may

get torn apart by the Treasurer, or the Minister of Education, or the Minister of Intergovernmental Affairs, or the Premier himself, or the opposition parties, but whether it gets torn apart or whether it ever becomes a fact in terms of implementation is not what I am talking about.

Before we're ever going to have a reasonable chance of having before us a package that has some slim chance of being implemented in terms of property tax reform we must have a package put together which considers all the minutest details and all the differences between municipalities; a recommendation which goes far beyond the stage we are at now and far beyond the intricate political structure that we have in this province, because to a large degree that's what is causing the delays.

Every area, depending on its present circumstances and what its circumstance would be if we went to full market value, based on the recommendations we have seen to date, each of those areas is lobbying, quite naturally, for itself. The minister knows that. We go through that on the equalization factor. We go through that on section 86s. We'll go through that on market value as well. That is what we have been going through.

Because of all of that process that is going on, every recommendation we've had—budget paper E, the Blair commission, the white paper and the joint committee paper—all of those papers before they are produced, before they are written, have been affected by all of that lobbying and all of those prejudices.

I am suggesting to the minister it would be quite useful—not in terms of the final decision perhaps but in terms of everybody in this Legislature and perhaps the municipal people out there and perhaps even a fair number of the taxpayers in this province—if we had a document that at least started out being totally unaffected by all of those prejudices and special interests, a document that was put together by the people with specific expertise in property assessment.

We know how the political process works. It may get torn to shreds and it may get modified by 100 per cent, or by 50 per cent, or by 40 per cent, or by 20 per cent; or in fact, it may be so fine tuned that everybody can buy it. Who knows, because it has never been done?

As I said, Mr. Minister, I am not questioning whether or not your staff have dealt with all of the committees that have worked on this, or whether they have provided information or anything else. I am talking about those who have the expertise making some specific in-depth recommendations.

I am not talking about those recommendations in the form of that white paper necessarily becoming the final product either. We know in the political process we have to have input, especially in the case of property tax reform, from the municipalities and from this Legislature and perhaps from a committee of this Legislature and from the public. Until the day comes when we have a document which is well enough put together in specific technical terms and we have gone beyond a lot of the political problems which I feel, from my knowledge and my expertise, are resolvable, we will have them. Those problems can be resolved, but they are presently holding up the whole process. That's what I am getting at. Until we get that kind of a report from your ministry, we will have those problems.

This is not just in the area of property assessment either. That's what I was getting into when I talked about your ministry doing an analysis of its entire tax structure from the point of view of social and economic benefits and from the point of view of job creation or the fact the increase in a certain tax may cost jobs. It should include the whole process; the difficulty in administering and collecting the tax, and knowing when you have got it all and so on, so when a budget is presented through this Legislature to the people of Ontario we have some substantial basis on which to judge whether or not the government is heading in the right direction or the wrong direction.

That kind of a document has to come from your ministry. It doesn't necessarily have to be a document which recommends in what direction we should go. It should be a document that's fairly substantive in terms of its analysis of the benefits and problems of each of the taxes you administer. This document is basically an analysis of the federal government's structure but in terms of budget and in terms of the way the budget operates, they are not all that dissimilar. The Canadian Tax Foundation made a number of recommendations for major changes in the budgetary procedure in Ottawa and I think some of them are relevant here. That's exactly what I am talking about, Mr. Minister.

This document talks about it. I won't get into trying to read the whole thing into the record, but it gets into talking about tax packages and subcommittees of this Legislature looking at tax packages. It gets into talking about public input on tax changes in the budget. Certainly, before any of those kinds of parliamentary changes can ever be

effective, before we can even get into talking about that kind of a structure, we have first of all to have some good working knowledge of what it is we are working from. What's the base we already have? Nobody in this Legislature has a really good sense of that, in the same way very few in this Legislature have a good sense of what the whole property tax reform question is all about and what, in specific terms, the complications really mean and how they might possibly be dealt with.

The same is true of almost every tax. There are individuals in here who have a good working knowledge of specific taxes, and the minister and I have talked about that. There are individuals who perhaps are somewhat more expert on the corporation taxes, but somewhat less in terms of their knowledge in the area of retail sales tax or land transfer tax or whatever it happens to be.

Very few people have a good working knowledge of the base we are working from. What does the tax package we already have really mean in terms of benefit and disbenefit? What do unit changes in each of those taxes mean, either up or down? What economic and social changes can be effected by a one per cent increase in income tax or a one per cent increase in retail sales tax, or a decrease in either of those?

We have no good working knowledge and no way of comparing in an effective way what is going on in the budget and in the tax realm. That is true for every tax we have; it is true for the total tax package we have. It is true in the case of municipal property assessments, even though the province doesn't do the collecting on those assessments.

The minister and I have talked a number of times, not only about the problems he has in trying to sell property tax reform to his own party and his own caucus and cabinet and so on, but also about the problems of selling it to individuals in my caucus or the Liberal caucus. We know those problems exist. They are going to exist as long as we can't get beyond the kinds of general province-wide projections we have had in all of the reports to date, which don't take into consideration the specifics or the differences of this fairly diverse province.

My feeling is the only place the expertise to produce that kind of document exists is in this ministry. Therefore, I am saying the minister should be taking the leadership. Yes, I am saying that. I don't care whether the minister makes the final decision, whether—because of cabinet changes and government policy changes—that leadership role is ever given to him officially, or whether the decision is ever given to him to make from that point on. That is not what is important. What is important is that the ministry with the expertise should be providing leadership in order that we can get past the kind of general stage we are at, the rut we are in, because we are not effectively progressing. We are making some small gains, we have put some bandages on, but they are not essentially what we are after.

Hon. Mr. Maeck: I can't add very much to what I have already said in my response to the previous statement and questions by the member, but I must reiterate that we have and have had recommendations produced by the Ministry of Revenue; they have been internal recommendations to the ministry in charge of the property tax reform package.

To this point there has been no change by government in the responsibility in this regard. I suppose we could, on our own, produce a white paper but I don't think I have the power. I don't think I can go outside of my government policy and produce a white paper, unless I produce it and present it to the Treasurer, who is responsible.

Mr. Charlton: That is what I am suggesting the minister should do.

Hon. Mr. Maeck: We have been giving that kind of information to the Treasurer over the years. We can't give him something he hasn't already received from our ministry. All of those details, all of the suggestions we have, have already been given to the Treasurer.

Mr. Charlton: The minister may, in his white paper, be able to produce these things.

Hon. Mr. Maeck: But for me to produce a public document and assume the responsibility of property tax reform that has been assigned to someone else within the government would be stretching my position as a minister of the crown a little far, and I really am no—

Mr. Mancini: It hasn't stopped anybody else.

Hon. Mr. Maeck: I tell the honourable member, I don't think the ministers of the crown in most cases tramp on other ministers' toes any more than they can help. When one minister or one ministry has been assigned a certain responsibility, we try to co-operate with that ministry and give it all the information we have, all the expertise we have, and we have done so. But to develop a white paper as the member suggests, I'm sure he realizes I would have to present it to the

person who's responsible for property taxes, not to the public.

[12:00]

Mr. Charlton: Present it to the Treasurer; present it to the House.

Hon. Mr. Maeck: As to the matter of information regarding taxes and the matter of assessing the social impact of taxes, the problems related to collection of taxes and so on are examined and developed within my ministry now. That kind of information is produced for the benefit of the Treasury. They also have their own staff. But we have input to Treasury all the time as to what's happening out there with our tax system.

Mr. Charlton: Produce a total package and table it in the House.

Hon. Mr. Maeck: I think that's a question the member should be asking of the Treasurer, not the Minister of Revenue. We supply the information we have and the studies to the Treasurer so he can make the decisions that are necessary for him to make when he is bringing down a budget.

It's the way the system is set up and I think it's the proper way. Two or three ministers cannot be responsible for a fiscal policy in this province. One must accept the final responsibility. There's nothing wrong with the Ministry of Revenue or the minister discussing all these matters with the Treasurer. There's nothing wrong with our ministry producing some results as to what is happening out there with taxes and providing it to the Treasurer. But the Treasurer must take all that information and then make his decisions. He must bear that responsibility.

Mr. Charlton: There's nothing wrong with the Minister of Revenue discussing it with the members of this House either.

Hon. Mr. Maeck: I would suggest to the member that those kind of questions should be directed to the Treasurer when his estimates are on. They are the ones who make the final decisions, based on the information they have at hand.

As I'm sure all members are aware, before the Treasurer brings down his budget he speaks to many groups in the private and public sector to get information about tax policies—what will happen if he does this, that, or the other thing. He asks what they suggest should happen. This is done on a regular basis by all Treasurers since I've been around here. And it is in addition to the information he receives from our ministry and from his own staff.

The questions the member is posing I think are the kind of questions that should be asked—and I'm talking now about the taxation side of this thing—of the Treasurer in his estimates. I think that's where the member will get the answers he's looking for. I'm trying to say to the member the government as a whole is doing the very things he's suggesting. But the final responsibility in all of these matters does rest with the Treasurer—and rightly so.

Mr. Mancini: On a point of order, Mr. Chairman, are we going to be allowed to speak on subjects of a general nature? This is the first vote and main item for this ministry. It has been the case in all the estimates I have been able to attend that the chairman has allowed members to discuss a wide range of subjects on the first vote.

Mr. Chairman: Are you asking to speak to matters of a general nature? That's what has been the custom under the main office. I'm not sure it's the most satisfactory way of doing it, but under the main office you can bring in just about anything. That's what you wish to do now?

Mr. Mancini: Yes, I do.

Mr. Chairman: You have the floor.

Mr. Mancini: I'd like to speak to the Minister of Revenue about a matter that I'm sure has been brought to his attention. That is that most homeowners in the province feel penalized, when they make home improvements, through increases in their property taxes. I find this to be a very significant problem in our society. I firmly believe that for people to be proud of their province, proud of their country, to feel they are part of this great province and that they own something and have a stake in the future of the province, something they may be able to pass on to their children, for most that means owning a home.

None of us need go into the details of the many difficulties the ordinary citizen faces today in home ownership, with the tremendously high interest rates and costs of energy and upkeep. Then we see homeowners upgrading their homes—adding garages and sidewalks, and so on—being penalized by increased taxes. I think that is a fundamental error. I have spoken with many of my constituents on this matter, which is one of the reasons I draw it to the attention of the Legislature, of the minister and of his assistants under the gallery, on whom I know he depends for advice in all matters.

Surely, Mr. Minister, we must give this problem some attention. We must not penalize people who have been willing to save, who have denied themselves trips to Florida

and dinners at fancy restaurants, for the purpose of upgrading their homes or property. However, once this work is done, they are penalized through higher property taxes.

I know this deals with the fundamental problem of raising revenues through property taxes; I realize that. I know it is a difficult problem and I don't want to offer simplistic solutions. But I think the problem is sufficiently severe that it needs to be brought up in the Legislature and it needs the sincere attention of the Minister of Revenue.

Since my election in 1975 I have come to know the Minister of Revenue and to respect him. I know that with his background he would be sympathetic to this problem. Since his appointment he has not become pompous; he has kept a fairly level head and I know he would deal sincerely with this problem. That is why I have no hesitation whatever in bringing this matter to his attention.

As I travel through my constituency, from one town to another, from one township to another, this matter is continually mentioned to me. I believe my constituents are absolutely right when they say they are penalized for improving their homes, for making their homes a better place for their children, for improving their own municipality aesthetically, when after all this is done and the new tax bills come out they find they are penalized for doing things we would all want them to do and which we all ask them to do.

I know some people are not financially able to spend as much as they would want to improve their homes. We do not in any way want to be critical of those people. As I mentioned earlier, the task of owning and maintaining a home today is very difficult indeed.

When I see people sacrificing many luxuries, trips and things like that, for the sole purpose of improving their home and then being penalized for it, I think we are doing an injustice to those people and an injustice to our society.

I don't expect the Minister of Revenue to rattle off a bunch of answers today, but I do expect the minister will concede that this is a very serious problem—indeed, an injustice—and that he will assure me and the Legislature the problem is going to be given serious consideration and it's going to be looked into, hopefully with the idea of some resolve.

Hon. Mr. Maeck: I am not without sympathy for what the member for Essex South is talking about but I think the member has to realize that if we were to ignore that assessment it means other people would have to pick up the tab.

Mr. Haggerty: Not necessarily.

Hon. Mr. Maeck: Our property tax system is based on assessment and value of property. If one is not valued at the proper amount it means he's not going to pay—

Mr. Haggerty: Which is the land value.

Hon. Mr. Maeck: That's not the policy of the government at the present time, as the member for Erie very well knows.

Mr. Haggerty: I know that. That's what you should consider.

Hon. Mr. Maeck: At the moment we're talking about value and we're talking about market value or a portion of market value and how much a property would gain on the market.

At the present time, repairs or modifications up to $2,500 are not picked up by assessment. You can make up to $2,500 worth of repairs or modifications to your home without being assessed for them. If you get beyond that, then to be equitable with other residences it must be added to the assessment. I'm not unsympathetic. I think what the member is saying is let's provide these people with an incentive to fix up their homes. They make sacrifices in other areas in order to beautify their homes or make them look better or to improve them. I'm not unsympathetic to that, but to be equitable I don't know how we could go any further than we have.

As I say, we have put on a limit of $2,500. If somebody decides to build a $5,000 swimming pool in the backyard or something like that, if they have the kind of money to do that—I don't have, personally—surely they can then afford to pay the taxes the extra assessment would generate.

I don't want to seem unsympathetic about it, but I think if we went beyond where we've gone, what we would be doing really, basically, would be asking someone else to pay the taxes those people would not be paying if they were not assessed. That would eventually create another problem in assessment down the road.

Mr. Lupusella: Mr. Chairman, I have a few points which I would like to raise. One is in relation to the whole situation which has been raised by the member from the Liberal Party. It includes this widespread problem affecting a lot of people when they are modifying or repairing their houses.

I share the position of the minister when he is talking about swimming pools, but when he is talking about concrete and simple repairs of people's houses I have to disagree with him. It all depends what people are

going to modify or to repair in their own house.

I think it is a widespread problem and I would like to echo the concern which has been raised by the Liberal member. If you take a look in Metropolitan Toronto, not too many swimming pools are going to be built in backyards in the area of Dovercourt, which is heavily populated by immigrants.

[12:15]

Following your analysis, what you are doing is penalizing immigrants who are forced to buy older houses because they cannot afford to buy new ones. When they have to make repairs or changes within the structure of the house, such as a veranda, a garage, or like improving the external and internal structural parts of the house, they face the same type of penalty. When the new assessment is done, they see their property taxes increasing.

As I stated before, I would like to echo this concern because it affects a lot of people. I would like you to take seriously a new formula which should be applied in order that such a penalty process won't take place.

By the way, if you take a look at the positive aspects of such repairs going on across Ontario and in particular in Metropolitan Toronto where you have to deal with all the houses, I think it's good for the economy. It's an improvement for the economy because the industries have to sell products to people to make such repairs. So those people make a double contribution to the improvement of the economy but, at the same time, they are faced with the penalty of an assessment increase when they have to deal with property taxes. I don't think it's fair to penalize them.

Actually, you have to appreciate what they are doing because the state of the economy is going to be improved and, at the same time, the local environment in which the house is located is also improved, so, I don't think the position which you have been taking is the right one.

As I stated, I agree with you when you talk about installations like swimming pools, or like building another floor on to a house. That's fine, but when you make modifications with the structure of the house such as improving rooms, or adding a veranda or garage, I don't think people should be penalized. I'm urging you, Mr. Minister, to apply a different method of assessment to eliminate any increase when a member of the public is using his only vehicle to improve his house, not for luxury, but to make the house look much better for his own personal environment.

I hope you take this task seriously, because if you take a look at a number of ridings in Metropolitan Toronto, not just my riding of Dovercourt, which are heavily populated by immigrants, you will see they are forced to buy older houses. If you penalize them when they move into their houses and make these repairs by raising their assessment the next year, that's completely wrong. You also have to appreciate the benefits which go into the economy as a result of this improvement. From listening to your position I'm sure you share this concern, but sharing the concern is not enough and some type of action should be taken in co-operation with municipalities, especially here in Metropolitan Toronto.

That is the first point I wanted to raise.

The second point is this. My colleague has been talking about the leadership he would like to see in your ministry. He talked about new programs and new projects. I would like to brief the minister about a case I raised in 1978 which involved the retail sales tax between the provinces. The case I brought to the attention of the minister was in relation to double taxation between Ontario and Quebec and I am particularly concerned to find out if some sort of reciprocal agreement has been reached between the two provinces.

When people move from Quebec, they purchase goods which subsequently are brought to Ontario. They pay provincial tax in Quebec and when they come back to Ontario they are faced with another taxation.

If the minister remembers, I attached a letter which I received on June 13, 1978, from a constituent of mine who moved to Quebec because he had found a job opportunity there. He bought a car and when he came back to Toronto, he found out that he had to pay double taxation; paid in Quebec and then in Ontario as well. He was particularly concerned that he paid an eight per cent Quebec sales tax and, according to a letter which he received from the Quebec government, they don't reimburse the eight per cent tax he had paid when he subsequently moved to Ontario.

The minister showed some particular concern about this case and I would refer to a letter he wrote to me on October 6, 1978, where he said that since my constitutent—and I will quote from this letter, Mr. Chairman, "purchased the vehicle less than 30 days prior to registration in Ontario, retail sales tax became due here as soon as the

automobile entered Ontario under provisions of section 2(9) of the Retail Sales Tax Act."

The point which the minister emphasized in the letter, and I would like to quote again, "Most of the provinces refund tax when goods are removed from their jurisdiction within a specified time, for permanent use in another province. For example, Ontario will refund tax paid on goods purchased in this province, if the goods are permanently removed from Ontario within 30 days of purchase. It is indeed regrettable . . ." and that is why I think the minister agrees that this particular problem or loophole exists between Ontario and Quebec, because no agreement has been reached as yet. I would like to know the stage of such negotiations if this matter was being negotiated by the minister at the time when he sent me such a letter.

"It is indeed regrettable"—and I am quoting from the same letter from the minister—"that the province of Quebec does not, at present, see its way clear to refunding the tax collected on the purchase of any item immediately removed from their jurisdiction.

"I can assure you, however, that the kind of situation that"—I don't want to mention the name of my claimant—"finds himself in has already been raised with Quebec, and continues to be the subject of discussion between the tax administrators of both provinces. Should Quebec choose to make any changes in this area, it is uncertain at this point whether the change would be retroactive and would allow . . . " your claimant . . . "to claim a refund of the Quebec sales tax paid.

"I sincerely regret that I am unable to provide you with a more favourable reply."

I don't want to read all of the letter, Mr. Chairman. I guess the Minister of Revenue gave me the impression in that letter that he is greatly concerned about this problem, that he will initiate negotiations with the province of Quebec to solve such cases as my constituent is in—and I am sure a lot of other people are involved in the same situation—and that a compromise is going to be found in order that people won't face this double-taxation process from two provinces.

The point that arises is that Quebec was not willing, at the time I received the letter, to engage itself in initiating a reciprocal agreement with Ontario.

There are two questions I would like to address to the minister. First, is there any way to find out the stage of the negotiation process? There was one initiated by the Minister of Revenue. The second point which emerges from this situation is that if Quebec is not willing at this time to initiate the reciprocal agreement, it is the duty of this minister to protect the consumers of this province and to refund or eliminate for some period of time the provincial taxes they are supposed to pay to the province until such agreement is reached.

I hope the minister will take the position that a retroactive clause should be incorporated into the agreement so that positive steps will be taken between the Minister of Revenue for Ontario and the Minister of Revenue for Quebec.

To conclude, I see the whole situation up there. I don't think the consumer is supposed to pay double taxes. I don't have a magic formula, but the formula expressed by the minister was to initiate a reciprocal agreement between the two provinces to solve the problem. Maybe his is the right formula, but I would like to know what is going on in this field.

Hon. Mr. Maeck: The first remarks made by the honourable member had to deal with the same problem the member for Essex South indicated. I don't know whether he heard my response or not, but I would advise him up to $2,500 in repairs is not picked up by the assessor, so they can put a new roof on. They can repair their veranda and they can repair their garage if it is under $2,500 and in a lot of cases it probably is. So there is a policy in place. We recognize there is a problem there and we want to help them.

Mr. Lupusella: Maybe you can increase the ceiling.

Hon. Mr. Maeck: That is something to be considered. Again, I would have to say if we are going to relate assessment to value, when you increase the value of the house then the assessment goes up. We have brought in a $2,500 figure to encourage people at least to do some repairs and not get caught.

Mr. Mancini: It should be $5,000.

Hon. Mr. Maeck: I dislike the word "penalized." I don't think that is fair. I don't think people are being penalized; I think they are being asked to pay taxes on the value of their property, which is a different thing to saying we are going to penalize you if you do something to your house.

Mr. Mancini: And they are penalized.

Hon. Mr. Maeck: What we are saying is you are increasing the value of your house. To give you an example, let's say if you own a house worth $50,000 and you spend $10,000 on it, then you compare it with

another house that is worth $60,000. It now becomes worth $60,000, if you put $10,000 worth of repairs on it.

Mr. B. Newman: Not necessarily.

Hon. Mr. Maeck: Should you have the right to pay less in taxes than the other person who also owns a $60,000 house? That's the other side of the coin.

Mr. Lupusella: Well, what do you expect —the house is going to fall apart?

Hon. Mr. Maeck: No, I am not suggesting that at all. What I am saying to the members, if they would listen for a moment, is if you have a $50,000 house and you invest $10,000 in that house—I am talking about things that can be seen that would increase the value—it then becomes worth $60,000. Shouldn't you then pay the same taxes as someone else down the street who has a $60,000 home?

[12:30]

Mr. Haggerty: You're not considering the depreciation there at all. I know it would depreciate—

Hon. Mr. Maeck: But depreciation—

Mr. Haggerty: We don't know what methodology the assessors are using; they should be accountable.

Hon. Mr. Maeck: Of course we know what methodology. The fact is we're talking about market value or a percentage thereof. The honourable member knows and I know that on every residential property in this province the assessment is based on market value or a percentage of value. It is the only way it can be assessed.

While I have sympathy, I would encourage people to upgrade their houses and so on. I really think we have indicated that by the fact that we do not pick anything under $2,500. This does give them the opportunity to do some repairs without having to pay any additional taxes. I don't know how much further we can go without being unfair to other taxpayers; that's the point I am trying to make.

The other matter that was discussed was the matter of double taxation between Ontario and Quebec. I don't have a copy of the letter the member read, but as I recall it was a motor vehicle that was purchased in Quebec. They paid sales tax there, then brought it into Ontario and were taxed again. At the present time, an Ontario resident may go into Quebec and buy a motor vehicle without paying the tax. He then pays the tax in Ontario. So we have avoided some of that double taxation.

It is not as satisfactory as I would like to see it, but at least we have a movement in that direction. Ontario residents can go into Quebec, buy a vehicle tax-free—he doesn't buy a Quebec licence, obviously, and that's how they control it. He buys a transit sticker or whatever the Quebec government requires for them to move it into Ontario. When the licence is purchased in Ontario, the Quebec government would then be notified the tax was paid in Ontario. So we have moved a little bit in the direction of alleviating that situation. Unfortunately it's not retroactive and won't cover the situation the honourable member indicated.

I would have some reservations about us, as the member suggested, not collecting the tax if it was collected in Quebec. I don't think that's fair to the taxpayers in Ontario who have to raise the dollars we don't collect through loss of taxation.

Mr. Lupusella: I made such reference in relation to the agreements which should be reached.

Hon. Mr. Maeck: We have been negotiating. Perhaps members will remember that we signed an agreement with Quebec some six months ago for exchanges of information and other matters of a technical nature. We are getting more and more co-operation from them, so I am hopeful that most of these situations will be ironed out as we move along, and we are continuing to do that.

Regarding the problem the honourable member had written to me about, I believe if the situation arose today the person could buy the vehicle and not pay the sales tax there and pay it in Ontario when he returned. Quebec is assured, by the fact he didn't buy the licence, that the vehicle is coming into Ontario. So that matter has been resolved at least to a reasonable degree.

Mr. Haggerty: Mr. Chairman, I just wanted to add a few comments to the member who previously spoke about the matter of replacing or renovating an older home. There is the $2,500 figure that is not included in the assessment, but I suppose if one looks at the equalization factors based upon market value assessment, that is included in it. It has to be.

Hon. Mr. Maeck: If it's not included in the assessment it doesn't show up in the figure.

Mr. Haggerty: If it is based upon current values, it should be included then. The minister now tells me it's not.

Hon. Mr. Maeck: That isn't what I said. I'll explain it to the member after.

Mr. Haggerty: It must be included in there, if they change the value of the property.

Hon. Mr. Maeck: It is only included if you add the additional amount.

Mr. Haggerty: If the assessors are out there today, assessing at market value, and your equalization factors are based upon the 1978 factor, that is value, then I am sure it's current value. That's right, so that would be included in there if they used that today for municipal taxation; so it's actually frozen for that period of time, for about 10 years. Eventually, it will catch up with them; but the members do make a point. It does add to the economy when a person is out spending money to upgrade his home. Sometimes I question the matter of assessment procedures to generate revenue for the municipality.

Maybe we should be looking at personal income to generate municipal taxation—it has been considered in other localities, even in the United States. As the members here have suggested before, a person could save everything he has and put it into his home. The next person could be renting, or he could be living in a home that's not up to standard, and he has put his money into cars or other amenities of life. By this method, a person who keeps a beautiful home is being penalized for it, so maybe you should be looking at that.

If I am not mistaken, some of the states in the United States have accepted a method in re-evaluation or market value assessment, where the improvements to a person's home are not included for assessment purposes. They somehow change the land values. It is the land that is most important, not the construction of the building itself.

I am sure if the minister were to build a new home today, he would find that the materials going into some of these homes today are not of the value that they were 10 or 15 years ago. When they talk about putting in four or five inches of insulation into some of these newly constructed homes, I don't know how they are going to get in there with about a three-and-a-half-inch or three-and-three-quarter-inch two-by-four studding.

Hon. Mr. Maeck: It would be hard.

Mr. Haggerty: It would be hard. That's right, and you can find that out if you look at the roof construction of new homes today; instead of being three-quarter in wood, there is three-eighth or five-sixteenth. They don't put the value into the new homes any more. It is made out of the cheapest material available, and that is poplar plywood. The least little bit of moisture in there and two years from now they will be able to stick their finger through it. You tell me that that is value in a home. It may have a cosmetic value, but the actual value is not there.

Hon. Mr. Maeck: You are talking about replacement value, eh?

Mr. Haggerty: No, I am not talking about replacement. I am talking about values of new homes. In other words, on market value assessment, actually the person who owns a home for 10 years or more, is being penalized by market value assessment. He doesn't sell his home every two or three years, but he is being penalized and charged more if he keeps that home. He has no intention of selling it.

Hon. Mr. Maeck: It has increased in value on the market.

Mr. Haggerty: When you talk about a selling property, there is its fair value and a willing buyer; there are three different ways you can look at it. You can have a willing buyer, and you can have a person who says, "I will sell it at my price." You can have somebody who says, "I will sell it, because I have to sell and get out of it." I can tell you that today there are many properties throughout Ontario that are being sold that way, because they can't continue paying the high interest rates. That's the point I want to come to. You mentioned the small business development corporation and you have a fund I believe of $1.5 million investment in this particular area. That could mean you have about six applications that have been accepted by your ministry based upon $250,000—

Hon. Mr. Maeck: Eighteen. I'll give you the detail later, I'll give you an update.

Mr. Haggerty: Eighteen? In this investment venture—I hope it is going to be better than what you had in the previous VIC program, because that wasn't too successful—when you are lending back out this money for investment purpose, what is the interest rate on that? Could the minister tell me that? I would like to know that now, and then I will continue.

Hon. Mr. Maeck: The money that is put into the SBDCs, Mr. Chairman, is not lent. They invest; they buy shares in small businesses. They must invest 70 per cent of it in shares, not in loans; so they gamble. If the company that they invest in makes money, then they get a return on their investment, but it is a gamble on their part.

The remaining 30 per cent can be left in the bank to draw interest or can be put in mortgages to draw interest, but they do not loan directly. I presume they would take a mortgage at the current interest rate. That is up to them to decide. The whole thrust of this program is that they invest in shares in the small business rather than loaning the money.

Mr. Haggerty: But there is a possibility they will get 30 per cent return on their money. That is what it is. You invest 70 per cent; you get 30 per cent back.

Hon. Mr. Maeck: What happens is simply this: if you invest $100 in a small business development corporation—I am not talking about investment in a small business now, I'm talking about investing in an SBDC—the Ministry of Revenue will send you a cheque for $30; 30 per cent. You will get a 30 per cent grant or return on your money. In other words, you will have a $100 investment that cost you $70.

If you happen to be a corporation and want to invest some funds in an SBDC, then you will get no grants, but you will get tax exemptions or tax rebates or tax credits from your corporations tax when you pay it.

Mr. Haggerty: It is 30 per cent return on investment, that is what you are telling me. I suppose there would eventually be a capital gains tax on that in the long run?

Hon. Mr. Maeck: If there is a profit, if they sell the shares for more than they have invested, obviously there is capital tax on that, yes.

Mr. Haggerty: The point is you could make as high as 30 per cent and then there is a gamble that you would be paying a capital gains tax on it. You wonder if such a program couldn't be available perhaps even to home builders in Ontario, persons who are investing large sums of money. Perhaps it would be the biggest investment in their lifetime, purchasing of a home. You charge them the provincial sales tax and the federal sales tax.

There is very little benefit given to them in return, yet that person building a new home is actually building the economy. Look at what goes into it in material—it could be metal, it could be plastics, it could be anything—and then the furniture and the appliances. Look at the sales tax generated by a new home.

Mr. Lupusella: You should say thanks.

Mr. Haggerty: You offer that person, the small property owner, nothing in return for the investment he makes. He is really investing in the country itself. We seem to go out and just twist it in more and more, and he pays taxes on almost everything.

My son is building a home today, and this is the reason I am interested. I have seen what material goes into it. He went out to rent a transit at $20 a day and he had to pay sales tax on top of that. This government does not miss a trick.

I was quoting from a 1970 book on government tax reform by MacNaughton, the former Treasurer of this province. He said in that—and this government hasn't followed it—"The government shouldn't be taxing persons to death," and that is what you are doing.

The economy is at its lowest ebb in years, except for the oil industry, which is reaping huge profits with little taxes paid. They are given almost everything, but the average home owner who has to build a home today is being taken by all these taxes and there is very little given back to him. I suggest he is going to get caught by this market value assessment, because he is going to be paying through the nose when it comes about.

This is what you have achieved with market value assessment. After 10 years of delaying the implementation of it, you have finally brought it in through the back door, and that's what is wrong with your system. You have not provided the taxpayer, the property owner, a right to appeal. There is no right to appeal under the present assessment if you base it upon market value.

Hon. Mr. Maeck: Of course there is a right.

Mr. Haggerty: No. You show me where there is a right to appeal.

Hon. Mr. Maeck: You can appeal any time.

Mr. Haggerty: Yes. The municipality can appeal.

Hon. Mr. Maeck: No. You can.

[12:45]

Mr. Haggerty: No, I can't. I can't even get that information to know what my neighbours—

Hon. Mr. Maeck: I don't say you can win it, but you can appeal it.

Mr. Haggerty: No, I can't even get the market value assessment on my property itself. It can be had by blocks in communities but one can't get it individually. I've tried to obtain it because I wanted to know what my property is worth. In fact, I wanted to know the other day so I could use it for looking at my fire insurance to see if it needs upgrading. It's hard to get that. You can get the old factor but you can't get the market value assessment.

Hon. Mr. Maeck: Well, you can't get that.

Mr. Haggerty: No. That's the point. I'm saying, how can you appeal on this equalization factor if the municipality can appeal but the property owner can't, and yet it's going to affect his property. I suggest it's time the assessors should be accountable to their peers—who are the property owners.

If the minister is applying market value assessment and equalization factors, then he should open those books. The taxpayer should know—

Hon. Mr. Maeck: We are not applying it.

Mr. Haggerty: You are applying it; it was implemented through the back door. We're going to find this out later on when you bring in your amendment to section 86 of the Assessment Act.

Hon. Mr. Maeck: We haven't amended it.

Mr. Haggerty: No, but you'll be bringing it forward. We now know the court proceedings for appealing it don't relate to market value assessment in a sense. In one sense it does, and it doesn't because there's an opinion of comparison and of equal value or something like that. Nobody knows what the assessor means by it.

I think it's time these books were opened. Let the taxpayers and the municipalities see what effect this will have on their communities, because nobody knows. They've been writing me letters and they've been writing everybody here letters saying "We approve of market value," not knowing what effect it will have on them until property tax reform is brought in. That's been promised for 10 years. If the minister is going to kick it around for another two years, we know full well there's going to be an election within a year or so.

We have seen the mothballing of it again. This matter of this five per cent factor that's used now, or equalization factor, will not increase any more than five per cent to municipalities. That's only good for another year. The minister can rest assured, if you fellows come back into power with a majority, we'll have market value assessment without property tax reform. Although the minister shakes his head "no," he's heading that way right now.

I suggest to the minister, it's time the books were opened.

Hon. Mr. Maeck: We are heading that way because you people wanted it.

Mr. Haggerty: No, we don't want it. No, no. We were promised that the minister was not going to see any injustices done through it, but we can see it now.

Hon. Mr. Maeck: You were told what injustice would happen before you supported the—

Mr. Haggerty: No, we were told about that $400 million you were supposed to get someplace to carry out tax reform that you haven't got yet.

Hon. Mr. Maeck: No, we never promised that.

Mr. Mancini: Let's not confuse the facts.

Mr. Haggerty: Those are the facts.

I suggest to you that I think it's time you started opening the books so the property owner can see his assessment based upon market value, because you are using part of that figure for the benefit of the equalization factors.

I can't understand the equalization factors or how you can arrive at a figure of 0.89 to a 100 factor. I don't know the methodology you use for it. I don't think anybody knows just what the minister is using. I know you are going to say it's not your ministry, it's the Ministry of Intergovernmental Affairs or the Treasury. Among the three, we can't pin anything down and that's where the confusion is. There's no direction or leadership in this particular area.

I think Mr. McKeough had the right idea, but the rest of you over there, wouldn't go along with him. That's one reason he's gone. He couldn't get along with you. He wanted to bring about market value assessment. The minister saw the inequities in the system. I recognize that, as do other members. It's a tough task to bring it forward, but as long as it sits there now, there's not going to be equity in the system.

He bases it upon market value of the sale of homes, but how many times has industry been sold here? How many times can an assessor go in and put a value on industry itself? Let's take General Motors as an example. Despite the profits made in their industry, they might have an old building. You tell me there is no value to that building and you reduce the assessment. That is what you have done in market value assessment. You have shifted it from commercial-industrial to residential. That is what has happened here. You can't sell an industrial building every day. How many times does one sell Inco? Look at the value in the ground there.

I just want to bring to the minister's attention that he has got to do something in this area; the government can't year after year bring in amendments to the Assessment Act. Section 86 isn't going to be the cure-all. The minister knows that, just as I and others do. It may be a catch-all for one or two municipalities. But if a municipality, such as Welland or Thorold or some other community, wanted to go to section 86 of the Assessment Act, it wouldn't be right for me to move in this direction unless all municipalities in a region or county do so.

It would not remove all the inequities there. It may equalize in the sense there would not be a serious impact in that community. But, eventually, when market value comes, it is going to be there and it is going to hit them hard. I suggest the minister is going to have to look at other areas of tax-revenue sharing with his federal counterparts. Get back to the Edmonton commitment and see that additional revenue comes back to the municipalities where it should be, not to the provincial or federal government, but back to where it is needed and back to the property taxpayers of this province.

That is what the former Treasurer of this province said. That is where tax-sharing has to be considered—at the property taxpayer level in Ontario. They can't bear any more costs. This is one of the most regressive forms of taxation in Canada. Even the Carter commission report suggested that.

So the government has a problem there among the three ministers. Someone is eventually going to have to get on the ball and solve it. If the fellows over there can't do it, I think the people of Ontario will look to a party that can. We are ready to go to that side and do something for the taxpayers of Ontario.

Hon. Mr. Maeck: Most of the things the member said he has said before. I just can't agree with the sort of philosophy he is presenting here. Some of it borders on the ridiculous. I know he knows better. He knows very well there must be a means of assessing property fairly and equally. He also knows very well we are not going to get equity in this province unless there are some shifts.

If there aren't to be any shifts, that means we are all taxed equitably right now and we don't need any program. It is all very well for everyone to say, "When are you going to bring some equity into the system?" The minute we move under section 86, by equalization factors or any other way, then the people affected, the ones who will have to pay more taxes on an equitable basis, are against it.

Everybody is saying to the Minister of Revenue: "Get it all straightened out, but don't change anybody's taxes. Don't let there be any shifts from one property class to another. Don't let any of that happen, but make it all equitable." I ask you, how does one do it? It is impossible. Any program we bring in, if we admit there are inequities out there now, will involve shifts. If we are not going to have any shifts, then we might as well shelve the whole thing and forget about it; we are apparently satisfied with the way things are.

We have to be prepared, all of us. If we are going to bring equity into any program—assessment or whatever it is—if there are inequities and if we make it equitable, there have to be some shifts. There can't help but be shifts.

Are we going to say to the taxpayers of Ontario: "You own a $60,000 house. Your fair share of taxes is X dollars, you are now paying only Y dollars; so you're going to have to pay $100 more to be equitable with your neighbour. That's equity?" Are we going to say that or are we going to say: "Yes, we want equity, but you don't pay any more than you ever did. You keep on paying more than your share?" Then everybody is happy: I don't get any complaints, nobody comes into my constituency office and the municipalities are not complaining, because there has been no change. That, in my estimation, is not equity.

If we're going to talk about equitable programs, we have to understand that some municipalities are going to get less in grants than they used to and some are going to get more; some householders are going to pay more in taxes than they did before and some are going to pay less. If those inequities are not out there, then we've wasted a lot of time over the past 10 years talking about them. But I can tell you they're there; and I can tell you that any program we bring in is going to create some shifts, whether it be in grants, whether it be in apportionments, whether it be on property taxes. If we're going to have any equity at all, those shifts are going to take place.

There is no use our standing in this Legislature and saying: "Let's do something about it, but let's not disturb anybody." It can't be done. We're either going to do something about it and disturb a few people, or we're going to leave things as they are and continue on with the inequities that are out there—let some people pay more than their share and others pay less than their share, and let it go on and on.

That's why I brought in section 86. That's why we're using that program. The member is suggesting we're using market value assessment. We are merely using a percentage of market value assessment in those areas where we have implemented section 86, in the 14 municipalities. It's based on a percentage of the 1975 market value; that's true. The equalization factors are based on a sampling of 1978 market values. No question about

that. But how do you change the equalization factors?

The member for Windsor-Walkerville is undoubtedly going to talk about the fact that his municipality hasn't been getting a fair share of grants because of the freeze on equalization factors. That's what he's going to tell me—and rightly so. But if he's going to bring things up to date, he must use up-to-date figures. He's going to have 1978 figures, and that's exactly what we used. But it has nothing to do with the individual taxpayer. It has to do with the amount the municipality pays in apportionments, the amount it gets in grants, which then affects the taxpayers.

Mr. Haggerty: Based upon his assessment.

Hon. Mr. Maeck: But the individual taxpayer's property is not assessed on 1978 market value as far as his property taxes are concerned. That's the point I was trying to make.

I agree it does reflect in the property taxes if a municipality's apportionments go up. Because of the new factor, it obviously reflects on everybody's property taxes. But still their own taxes are not based on 1975 market value assessment, unless we've had a section 86 program.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House adjourned at 1 p.m.

ERRATA

No.	Page	Column	Line	Should read:
77	3190	1	Following 6	Bill 140, An Act to amend the Executive Council Act
88	3697	2	53	**An hon. member:** It sure won't be the member.

APPENDIX

(See page 4561)

ANSWERS TO QUESTIONS ON NOTICE PAPER

ENVIRONMENTAL LEGISLATION

336. Mr. Isaacs: Will the minister provide copies of all proposed amendments to the Environmental Protection Act and to the Environmental Assessment Act which are intended to reduce duplication of hearings and for which the minister, according to his statement to the standing committee on resources development on October 24, 1979, has received cabinet approval? (Tabled November 1, 1979.)

337. Mr. Isaacs: Will the minister provide copies of all proposed amendments to the Environmental Protection Act and to the Environmental Assessment Act which are intended to permit parties other than the applicant to appeal orders of the director of environmental approvals and decisions or recommendations of the Environmental Assessment Board, and which the minister, according to his statement in the Legislature during the afternoon of October 23, 1979, has coming forth in the not-too-distant future? (Tabled November 1, 1979.)

Hon. Mr. Parrott: Additional time will be required to prepare answers to questions 336 and 337. The answers will be ready on or about Tuesday, November 20, 1979.

HEATING OF GOVERNMENT BUILDINGS

355. Mr. Ruston: Would the Minister of Government Services inform the House how many government buildings are heated by oil? Would the minister inform the House how many government buildings have been converted from oil heat to natural gas in the past 12 months and if any are planned to be converted in the near future? (Tabled November 13, 1979.)

Hon. Mr. Wiseman: The complete answer will be time consuming since information will have to be obtained from all ministries and therefore the answer cannot be obtained within the 14 calendar day limit. This interim answer serves notice that the complete answer will be forthcoming as soon as the necessary information has been obtained, approximately March 31, 1980.

CONTENTS

Friday, November 16, 1979

Refugee assistance, statement by Mr. Wells 4549

Point of privilege re preservation of agricultural land, Mr. Riddell 4549

Energy policy, questions of Mr. Welch: Mr. S. Smith, Mr. Cassidy 4550

Mississauga train fire, questions of Mr. Welch: Mr. S. Smith, Mr. Makarchuk, Mr. Cunningham 4550

Arsenic exposure, questions of Mr. Elgie: Mr. Cassidy, Mr. M. Davidson 4552

Auto pact, questions of Mr. Grossman: Mr. Cassidy, Mr. B. Newman, Mr. Laughren, Mr. Breaugh 4553

Correctional services dispute, questions of Mr. Walker: Mr. Bradley 4555

Art Gallery of Ontario, questions of Mr. Baetz: Mr. Grande 4556

Aberfoyle trailer park, questions of Mr. Brunelle: Mr. Epp, Mr. Blundy 4557

Refugee assistance, questions of Mr. Wells: Mr. Swart 4558

Shop Canadian program, question of Mr. Grossman: Mr. Cunningham 4558

Browning-Ferris Industries, questions of Mr. Wells: Mr. McGuigan, Mr. Swart 4559

ESL programs, questions of Miss Stephenson: Mr. Grande 4559

Adoption legislation, questions of Mr. Wells: Mr. Kerrio 4559

Assistance to students, questions of Miss Stephenson: Mr. Cooke 4560

Notice of dissatisfaction with answer to oral question, Mr. Grande 4561

Report, standing resources development committee, Mr. Villeneuve 4561

Ontario Drug Dispensing Fee Act, Mr. Breaugh, first reading 4561

Tabling answers to questions 336, 337 and 355 on notice paper, Mr. Wells 4561

Notice re standing administration of justice committee, Mr. Renwick 4561

Estimates, Ministry of Revenue, Mr. Maeck, continued 4561

Adjournment 4578

Errata 4578

Appendix: answers to questions on notice paper 4579

Environmental legislation, questions of Mr. Parrott: Mr. Isaacs 4579

Heating of government buildings, questions of Mr. Wiseman: Mr. Ruston 4579

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
Blundy, P. (Sarnia L)
Bradley, J. (St. Catharines L)
Breaugh, M. (Oshawa NDP)
Brunelle, Hon. R.; Provincial Secretary for Resources Development (Cochrane North PC)
Campbell, M. (St. George L)
Cassidy, M. (Ottawa Centre NDP)
Charlton, B. (Hamilton Mountain NDP)
Conway, S. (Renfrew North L)
Cooke, D. (Windsor-Riverside NDP)
Cunningham, E. (Wentworth North L)
Davidson, M. (Cambridge NDP)
Edighoffer, H.; Chairman (Perth L)
Elgie, Hon. R.; Minister of Labour (York East PC)
Epp, H. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Grande, A. (Oakwood NDP)
Grossman, Hon. L.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Isaacs, C. (Wentworth NDP)
Kerrio, V. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Lupusella, A. (Dovercourt NDP)
MacDonald, D. C. (York South NDP)
Maeck, Hon. L.; Minister of Revenue (Parry Sound PC)
Makarchuk, M. (Brantford NDP)
Mancini, R. (Essex South L)
McGuigan, J. (Kent-Elgin L)
Newman, B. (Windsor-Walkerville L)
Peterson, D. (London Centre L)
Reid, T. P. (Rainy River L)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Sargent, E. (Grey-Bruce L)
Smith, S.; Leader of the Opposition (Hamilton West L)
Stephenson, Hon. B.; Minister of Education (York Mills PC)
Stokes, Hon. J. E.; Speaker (Lake Nipigon NDP)
Swart, M. (Welland-Thorold NDP)
Walker, Hon. G.; Provincial Secretary for Justice, Minister of Correctional Services (London South PC)
Welch, Hon. R.; Minister of Energy, Deputy Premier (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)

JOURNALS AND PROCEDURAL RESEARCH BRANCH
DIRECTION DES JOURNAUX ET DES RECHERCHES EN PROCÉDURE
ROOM 1640, WHITNEY BLOCK
QUEEN'S PARK, TORONTO, ON M7A 1A2